GENERAL SERVICES ADMINISTRATION FISCAL YEAR 1991 CAPITAL IMPROVEMENT PROGRAM AND BUDGET, INCLUDING ALL PENDING CONSTRUCTION, DESIGN, REPAIR AND ALTERATION, AND LEASE PROSPECTUSES; 11(B) RESOLUTION FOR ORANGE, RIVERSIDE, AND SAN BERNARDINO COUNTIES IN CALIFORNIA; AND THE CONTINUED RENOVATION OF THE PENSION BUILDING IN WASHINGTON, DISTRICT OF COLUMBIA, TO HOUSE THE NATIONAL BUILDING MUSEUM

(101-57)

HEARING

BEFORE THE

SUBCOMMITTEE ON
PUBLIC BUILDINGS AND GROUNDS

OF THE

COMMITTEE ON
PUBLIC WORKS AND TRANSPORTATION
HOUSE OF REPRESENTATIVES

ONE HUNDRED FIRST CONGRESS

SECOND SESSION

MAY 3, 1990

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HEARING MEMORANDUM

COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION,
Washington, DC, May 1, 1990.

Re: Hearing, May 3, 1990.
To: Members, Subcommittee on Public Building and Grounds.
From: Subcommittee Staff.

The Subcommittee on Public Buildings and Grounds will meet on Thursday, May 3, 1990, at 9:30 a.m. in Room 2253 Rayburn. The Subcommittee will consider a section 11(b) housing study request and will consider prospectuses submitted by GSA for construction, repair and alteration, leases, and alterations to leased space.

Representatives Dannemeyer, Hoyer, Sabo, Schaefer, and Duncan will testify in support of projects in their districts. Representative Clinger and Robert Duemling, President and Director of the National Building Museum, will testify on the continued renovation of the Pension Building in Washington, DC to house the National Building Museum.

All projects and leases are summarized below.

SECTION 11(b) REQUEST

Counties of Orange, Riverside, and San Bernardino, California

Congressman Dannemeyer will testify in support of a housing study on court space needs in the counties of Orange, Riverside, and San Bernardino in California. These three counties are currently included in the judicial district of the Central District (court is held in Los Angeles, with two or three judges in a branch court in Santa Ana in Orange County). Mr. Dannemeyer has introduced H.R. 3163, which would amend title 28 of the U.S. Code to establish a new judicial district, the Western District, to be comprised of these three counties.

GSA FY91 CAPITAL IMPROVEMENT PROGRAM

Members should be aware that the President submitted a FY91 budget amendment to request appropriations in the amount of $1,365,353,000 to supplement the Federal Buildings Fund in Fiscal Year 1991. Additional funds will be requested in FY92 and FY93.

Late last year, the Subcommittee held hearings on a GSA-OMB report which identified a $2.5 billion shortfall in the Federal buildings Fund over the next three years to meet federal construction needs of 21 new buildings throughout the country. At that time, OMB agreed to allow GSA to finance up to $2.5 billion of construction through lease-purchase financing legislation that would be transmitted to Congress.

The budget amendment reflects the decision by OMB, CBO, and the Budget Committees that buildings which are "financed" should be scored as budget authority in the year they are authorized and that outlays will be scored over the construction period (even if the developer borrows the funds and GSA makes annual payments). OMB's concern was that the budgetary treatment of lease-purchase projects would favor that type of arrangement over direct federal construction, which is less expensive since financing costs (mainly interest) are avoided. Recognizing that funds were not available for direct construction, however, the Administration has requested that new funds be put into the Federal Buildings Fund.

The Committee has not received prospectuses for some of the projects that were included in the President's FY91 budget amendment, including:

Department of Transportation Headquarters (Site), $50,000,000.

GSA Headquarters, $148,500,000.

FBI Washington, D.C., Field Office, $98,372,000.

Federal Building and Courthouse, Shreveport, Louisiana, $24,669,000.

Regarding DOT, two years ago a $559,817,790 purchase prospectus was submitted for a 1,900,000 occupiable square foot headquarters building. Since that time, DOT has indicated a preference for constructing the building over the tracks behind Union Station. Purchase of a parcel of land along 2nd Street, owned by CSX, would also be required. Cost estimates exceed $600 million.

Another project which may be discussed includes the recent decision by EPA Administrator Reilly to reject the Southeast Federal Center as a site for the new EPA headquarters. Only private land will be considered by EPA. An overall development plan and authorization for development of the Southeast Federal Center may also be discussed. Recently Administrator Reilly announced that 700–800 of the 5,000 employees at Waterside Mall will be relocated to help relieve the existing air quality problems there. A lease prospectus will probably need to be approved by the committee before this can occur.

CONSTRUCTION

U.S. Geological Survey, Laboratory-Office Building, Menlo Park, California

Proposes the construction of 96,605 occupiable square feet of laboratory-office space plus 40,000 occupiable square feet of inside parking on Government-owned land. Construction would replace existing leased space in Palo Alto as well as lab and office space housed in 3 existing temporary structures and 14 trailers on the USGS Western Region Research Facility. The Western Region Facility is a campus-like setting of owned and leased buildings in Menlo Park.

Authority requested: $22,000,000.

John E. Moss Federal Building-U.S. Courthouse, Sacramento, California

Proposes the construction of a 15,000 occupiable square foot annex for court expansion, the renovation of 94,000 square feet to be vacated by the Corps of Engineers, and the realignment of space within the building to improve efficiency and provide expansion space for the U.S. Attorney and Clerk of the Court. Parking for 152 vehicles is included. Agencies now housed in leased space will move into the space vacated by the Corps of Engineers.

Authority Requested: $16,791,000.

U.S. Courthouse, Southern Division of Maryland, Suburban Maryland

Proposes the construction of a 96,887 occupiable square foot courthouse plus parking for 155 vehicles to house the Courts, U.S. Attorneys and the U.S. Marshals Service. Seven courtrooms will be located in the building (Public Law 100-487 establishes the new Southern Division of the Judicial District of Maryland). $4.7 million for site acquisition and design were appropriated for FY90.

Authority Requested: $21,883,000.

U.S. Courthouse Annex, Minneapolis, Minnesota

Proposes the construction of a 167,600 occupiable square foot courthouse, plus parking, to be constructed on the north side of the existing federal building-courthouse located at 110 South Fourth Street. The annex will provide expansion space for the courts and Courts-related agencies, as well as other agencies now housed in the federal building. Construction costs are estimated at $47,710,000. It is also recommended that the renovation of the current federal building-courthouse be authorized at $15,303,000, with funding in future years.

Authority Requested: $63,013,000.

Congressman Sabo will testify on behalf of this project, but would like to leave open the option of constructing a new courthouse at a new location rather than constructing an annex next to the existing courthouse.

U.S. Courthouse Annex (Amendment), Camden, New Jersey

Proposes an amendment to a previously approved prospectus (fiscal year 1988). Site costs have increased by $1.7 million over the original estimate of $300,000 and construction cost estimates have increased by $8,389,000 to $32,985,000. Increases are due to special considerations in the design of the building due to historic details, resulting in a larger project. Funds previously authorized for design, management, and inspection will be devoted to site acquisition, leaving $514,000 in additional site funds to be authorized.

Authority Requested: $8,903,000 (escalation).

U.S. Courthouse, White Plains, New York

Proposes the construction of a building containing 79,740 occupiable square feet of space and 9,000 square feet of inside parking for the U.S. Courts and related agencies. The Courts and other agencies are currently housed in 34,585 occupiable square feet of leased space and require expansion space. Funds for site and construction are requested.

Authority Requested: $26,350,000.

U.S. Courthouse Annex, Portland, Oregon

Proposes the construction of a 125,000 occupiable square foot annex plus 100 inside parking spaces to the existing Gus J. Solomon U.S. Courthouse. The site is located across the street from the current courthouse. Executive agencies now housed in leased space will initially be located in the annex, allowing for further anticipated court expansion through 2015.

Authority Requested: $33,320,000.

Social Security Administration, Wilkes-Barre Area, Pennsylvania, Amendment

Proposes the construction of a 200,000 occupiable square foot facility in Plains Township, Luzerne County, to consolidate and expand the Social Security Administration Data Operations Center. The Center is currently housed in two leased locations in Wilkes-Barre. $20,672,000 was appropriated in FY87 for the project, but it has been delayed due to lengthy reviews by Social Security and OMB as to long-term housing needs. Site costs are higher than anticipated and construction costs have increased over time.

Authority Requested: $11,905,000 (escalation).

U.S. Courthouse, Alexandria, Virginia

Proposes the construction of a 194,000 occupiable square foot Courthouse with parking for 500 vehicles, most likely on a donated site. The building will consolidate and allow for expansion space for the Courts and Court-related agencies. the new courthouse will include a total of 15 courtrooms. $2,134,000 for design was appropriated in FY90.

Authority Requested: $58,202,000.

Courthouse Annex, Charlotte Amalie, St. Thomas, Virgin Islands

Proposes authorization of design funds for a courthouse annex to the U.S. Courthouse and Federal Building in Charlotte Amalie. Expansion requirements of the Courts include one District and one Magistrate's courtroom with adjunct facilities; District and Circuit Court chambers; a Magistrate's chambers; and a courtroom for use by visiting District and Court of Appeals judges.

Authority requested: $478,000.

Consolidation of Internal Revenue Service National Office, Suburban Maryland

In accordance with an 11(b) housing study ordered by the Committee on December 10, 1987, GSA has submitted an amended report of Building Project Survey recommending a construction project to consolidate the IRS headquarters in suburban Maryland (this location was mandated by GSA's FY90 appropriations bill).

Currently, the IRS National Office is located in 16 leased and 5 government-owned locations in a total of 1,431,087 square feet. The IRS will continue to occupy 667,665 occupiable square feet in the IRS Building in Washington. The new facility will consolidate the remaining functions of the National Office and provide expansion space in a 884,876 occupiable square foot facility. Construction costs are estimated at $168,500,000 and site costs at $38,002,000.

Total authority requested: $206,502,000.

Congressman Hoyer will testify on behalf of this project.

Department of Defense, Naval Systems Commands, Northern Virginia

In accordance with a Section 11(b) housing study ordered by the Committee on December 10, 1987, GSA has submitted a report which recommends the construction of a 3 million occupiable square foot facility plus 6,800 parking spaces to housing the current employees of the Navy and to provide expansion space for 3,160 additional employees to be hired.

These Navy functions currently occupy 2,273,344 square feet in 19 leased buildings in Crystal City and one in Alexandria. Several buildings are old and require extensive repairs. The increase of 3,160 employees over the next 5 years is due to newly approved civil service staff positions that will perform functions currently provided by Navy contractor personnel.

The Navy desires a Northern Virginia location because of the daily contact between many elements within the Naval Systems Commands and the Pentagon. In addition, 2/3 of the employees reside in Northern Virginia. Site costs are estimated at $141,960,000 and construction costs are estimated at $679,588,000.

Total authority requested: $821,548,000.

U.S. Courthouse, Boston, Massachusetts

In accordance with a Section 11(b) housing study ordered by the Committee in September, 1988, GSA has submitted a report which recommends the construction of a new courthouse in Boston.

The courts are currently housed in the John W. McCormack Post Office and Courthouse. The building, constructed in 1933, provides 385,000 square feet of space with the Courts occupying 60 percent of the space. The District and Appeals Courts as well as related court agencies have significant expansion needs. It has been determined that the McCormack Building, which was originally constructed as an official building, cannot accommodate the court needs due to space and the physical configuration of the building.

GSA is recommending the construction of a new 400,000 square foot courthouse, on a site to be acquired. Since the government-owned to leased ration in Boston is very high (94:6), GSA recommends that the McCormack Building be disposed of and that funds generated from the sale be put back into the Federal Buildings Fund to offset the construction costs of the new courthouse. Non-court related agencies would be relocated to leased space. The estimated construction cost is $118,005,000 and the estimated site cost is $45,000,000. It is estimated that the McCormack Building can be sold for roughly $75 million.

REPAIR AND ALTERATION

Federal Building—U.S. Courthouse, San Diego, California

Proposes authorization of a project to install fire sprinklers and alarm systems, provide 14,040 square feet of expansion space for the Courts by enclosing a moat outside the building, and an upgrade of the heating-ventilating-air conditioning (HVAC) system.

Authority requested: $7,836,000.

Appraisers Building, 630 Sansome Street, San Francisco, California

Proposes the upgrade of the building's windows, fire doors, electrical systems, and installation of seismic reinforement. Alterations will allow for the recapture of 18,000 square feet of vacant space.
Authority requested: $3,958,000.

U.S. Custom House, 555 Battery Street, San Francisco, California

Proposes the upgrading of the electrical system and seismic reinforcement of the building.
Authority requested: $9,508,000.

Building 56, Denver Federal Center, Lakewood, Colorado

Proposed project will modernize a 1941-era building occupied by the Bureau of Reclamation Engineering and Research Laboratories. A central HVAC system, fire alarm system and subdivision separation will be installed. Existing office and laboratory space will be renovated.
Authority requested: $8,584,000.

Hubert H. Humphrey Building (HHS), Washington, DC

Proposes the installation of a fire sprinkler system, fire alarm system, electrical modifications, and ceiling system installation and repairs. Some asbestos abatement in work areas will be included.
Authority requested: $7,300,000.

Veterans Administration Building, Washington, DC

Proposes modernization of the building to upgrade systems to conform to current fire prevention and lifesafety standards, remove asbestos, and renovate work space and architectural features. Electrical, plumbing and HVAC systems are outdated and will be overhauled.
Authority requested: $26,000,000.

Elevators-Various Buildings, Washington, DC

Proposes upgrading of elevators in four DC buildings: Federal Building #6, Frances Perkins Building (Labor Dept.), the GSA Regional Office Building, and the Agriculture South Building. The project includes upgrading existing elevators, and installation of lifesafety, firesafety and handicap improvements.
Authority requested: $16,500,000.

Richard B. Russell Federal Building and U.S. Courthouse, Atlanta, Georgia

This project would alter approximately 48,000 occupiable square feet of space for the Bankruptcy Court and the U.S. Trustee. Also, the prospectus includes replacement of cooling towers and repair to deteriorate sections of the roof (caused by the leaking cooling towers).
Authority requested: $3,544,000.

Everett M. Dirksen Federal Building, Chicago, Illinois

This project provides for the installation of fire sprinklers to floors 15–31. Also, a new fire alarm, emergency telephone system and new lighting will be installed. Special asbestos procedures will be implemented and asbestos removed from mechanical areas.

Authority requested: $21,800,000.

Federal Building, 536 S. Clark Street, Chicago, Illinois (amended prospectus)

The prospectus provides for phase 3 of a renovation project and will complete the relocation of DEA's laboratory from the Custom House into larger space in the Clark Street Building. The Committee had previously approved $35,976,000 for a FY90 renovation project.

Authority requested: $6,248,000.

Federal Building and U.S. Courthouse, Indianapolis, Indiana

This project provides for the reorganization and expansion of court facilities. New courtrooms will be added for a District judge, two Bankruptcy judges and two new magistrates. The Postal Service will relocate from the building. Also basic repairs will be completed.

Authority requested: $3,908,000.

Warren E. Burger Federal Building and U.S. Courthouse, St. Paul, Minnesota

This project includes general repair items (HVAC, electrical), installation of fire sprinklers and other firesafety items, and tenant alterations to vacant space for court expansion.

Authority requested: $7,633,000.

Peter W. Rodino, Jr. Federal Building, Newark, New Jersey

Proposes the replacement of two 20-year old chillers and related mechanical equipment.

Authority requested: $3,755,000.

Jacob K. Javits Federal Building, 26 Federal Plaza, New York, New York

Proposes the replacement of the 20-year old HVAC system and reconstruction of the cooling tower. Some fire safety items will be upgraded.

Authority requested: $13,721,000.

Kenneth B. Keating Federal Building and Courthouse, Rochester, New York

Proposes upgrading of the HVAC systems and equipment, and upgrading the freight elevator.

Authority requested: $1,994,000.

Post Office and Courthouse, Oklahoma City, Oklahoma

Proposes the installation of fire sprinklers and other firesafety items. Ceilings and lighting will be replaced during this work, gen-

eral office space will be upgraded and the HVAC and electrical systems will be replaced or upgraded.
Authority requested: $11,242,000.

U.S. Custom House, Philadelphia, Pennsylvania

Proposes renovation of this building which was completed in 1934. Work includes installation of a fire sprinkler system and other firesafety items; upgrade of the HVAC, electrical and lighting systems; replacement of passenger elevators, upgrade of interior space and restrooms; and cleaning of building exterior. A small amount of swing space will be leased.
Authority requested: $20,166,000.

U.S. Courthouse and Post Office, Pittsburgh, Pennsylvania

Proposes complete repair of 30,000 square feet of bridge and ramp deteriorated surfaces and superstructures at the rear of the building. The ramp serves as a loading dock, provides parking for the courts and provides access to the rear of the building. The bridge spans railroad tracks.
Authority requested: $2,700,000.

Estes Kefauver Federal Building and Courthouse Annex, Nashville, Tennessee

Proposes the installation of new and modified fire and safety features, including sprinklers, fire alarm system and fire petitions. Some asbestos removal will be done and original elevators in the older federal building will be replaced.
Authority requested: $4,616,000.

Federal Building (Terminal Annex), Dallas, Texas

Proposes recapture of 83,000 square feet of vacant space on the third through fifth floors to convert it into office and special purpose space, resulting in the elimination of five local leases. Fire and lifesafety features, two new elevators, and new plumbing will also be installed. This project will complete the renovation of the building ($13 million previously approved).
Authority requested: $4,307,000.

Federal Building, Portsmouth, Virginia

Proposes alterations to convert approximately 30,000 square feet of space vacated by the Postal Service into office space. The Navy Training Systems Command will be relocated into this space from the Naval Base in Norfolk.
Authority requested: $1,700,000.

Federal Building, Seattle, Washington

Proposes renovation of this building which was completed in 1933. The building's systems (electrical, mechanical, HVAC) and exterior have never been upgraded. Seismic reinforcement and alterations to 35,745 square feet of space recently vacated by the FDA will also be completed. Agencies now in leased space will then occupy this nely renovated space in the federal building.
Authority requested: $17,932,000.

Federal Building and U.S. Post Office, Spokane, Washington

Proposes to recapture vacant space for court expansion; correct fire and lifesafety problems; upgrade electrical, HVAC and plumbing systems; repair or replace windows; and install a new elevator. Handicapped accessibility will be improved.

Authority requested: $5,071,000.

PROSPECTUS FOR DESIGN

GSA is seeking authority to design 20 projects in Fiscal Year 1991 that are scheduled for construction in future years. Total design authority requested is $26,167,000 for projects in buildings listed below:

Fiscal year 1991 GSA

Location	*Funding*
Los Angeles, CA—Fed. Bldg	$2,251,000
Pasadena. CA—Ct. of Appeals/FB	618,000
Sacramento, CA—Fed. Bldg	841,000
Santa Rosa, CA—Fed. Bldg	178,000
Hartford, CT—Cotter Fed. Bldg	380,000
D.C.—Agri. Administration Bldg	643,000
D.C.—State Dept. Bldg	2,216,000
D.C.—Perkins Bldg (Labor)	710,000
Louisville, KY—Fed. Bldg	1,223,000
Baltimore, MD—Custom House	982,000
Worcester, MA—Donahue FB/Cthse	811,000
Billings, MT—Fed. Bldg.-Cthse	319,000
Albuquerque, MN, Chavez Fed. Bldg	388,000
Buffalo, NY, Dillon Fed. Bldg.-Cthse	457,000
Knoxville, TN—Post Office-Cthse	564,000
Galveston, TX—Post Office-Cthse	342,000
San Antonio, TX—Fed. Bldg	443,000
Salt Lake City, Utah—Post Office-Cthse	460,000
Salt Lake City, Utah—Bennett Fed. Bldg	341,000
Arlington, VA—Pentagon Complex	12,000,000
Total	26,167,000

SOUTHERN BORDER STATIONS

This prospectus seeks authority to design and construct two border stations as part of the continuing southern border station program which began in Fiscal Year 1988. The first station is in Calexico, California, which has received $2,480,000 in past years. GSA is requesting $1,174,000 in FY91 and $577,000 in a future year to continue design work. The other station is in Ysleta, Texas, which has received $10,408,120 in past years. GSA is requesting $9,044,000 in FY91, which will then fully fund the cost of construction.

Authority requested: $10,795,000.

ALTERATIONS TO LEASED SPACE

1900 Half Street, SW., Washington, DC

Proposes alterations to building so that a remaining 5-year lease renewal option at $7.22 per square foot can be exercised. Primary tenants are DOD, and the FBI Washington Field Office. Work would correct firesafety deficiencies and include elevator retrofit, exit enhancement and installation of fire sprinklers in the law library and the lobby.

Authority requested: $2,487,680.

J. W. Powell Building, Reston, Virginia

Proposes the installation of an automatic fire sprinkler system and other lifesafety features. This building's main tenant is the U.S. Geological Survey. The current lease term for 690,701 occupiable square feet expires in December 1993, with the building then reverting to Federal Government ownership.

Authority requested: $8,900,000.

LEASE PROSPECTUSES

Department of Labor, San Francisco, California

Proposes a replacement lease for 131,100 occupiable square feet of space including 20 inside parking spaces. The Labor Department is currently housed in 121,193 square feet of leased space with an April 19, 1992 expiration date. There are two 5-year renewals but, because of declining renewal rates, the lease will be competitively solicited. Expansion space for 50 new employees in required. GSA is requesting leasing authority for 10 years at an estimated maximum annual cost of $3,408,600 ($16–26 per square foot).

Pershing Point Plaza, Atlanta, Georgia

Proposes a replacement lease for approximately 120,850 occupiable square feet of space for agencies, primarily the Labor Department, currently housed in the Pershing Point Plaza Building. The present lease expires December 12, 1992. GSA is requesting leasing authority for 20 years at an estimated maximum annual cost of $2,296,150 ($14–19 per square foot).

Center Building One, Hyattsville, Maryland

Proposes a replacement lease for 199,480 occupiable square feet of space for components of the State Department and USDA now housed in the Center Building One. The present 20-year lease expires July 24, 1993. GSA is requesting leasing authority for 10 years at an estimated maximum annual cost of $6,981,800 ($22–35 per square foot). However, 30-year present value analysis by GSA states that the cost of leasing is $69,840,000 while the cost of construction is $58,409,000.

Corps of Engineers, Vicksburg, Mississippi

Proposes leasing 190,057 occupiable square feet of space and 845 outside parking space to consolidate three leased locations of the District Office of the Corps of Engineers. The present leases expire during 1990, 1991, and 1993. About 52,000 square feet of expansion space is included to reduce overcrowding and accommodate needed storage space, library, training center, loading dock and motor pool area, and a day care center. GSA is requesting leasing authority for 20 years at an estimated maximum annual cost of $2,850,855 ($12–15 per square foot).

IRS Service Center, Brookhaven, New York (Lease and Repair)

Requests authority to exercise two 5-year renewal options at an annual rental rate of $2,100,000 on 458,316 occupiable square feet of space leased since August 10, 1972 through a lease-purchase arrangement. On June 30, 2002, ownership of the facility will be conveyed to the Government.

The prospectus also proposes upgrading the existing sewage treatment plant to meet New York State environmental regulations for pollutant discharge elimination system limitations. Repair funds of $1,600,000 are requested.

U.S. Customs Service, John F. Kennedy Airport, New York, New York

Proposes leasing 110,000 square feet of office, storage and special space, and 600 parking spaces, for the Customs Service at the Kennedy Airport in New York. Currently, Customs is in six different leased locations on the airport grounds. This building to be constructed will provide for consolidation and necessary expansion. GSA is requesting leasing authority for 10 years at an estimated maximum annual cost of $4,730,000 ($35-43 per square foot).

Multiple Agencies, Philadelphia, Pennsylvania (Lease Renewal)

Proposes exercising two 5-year renewal options for 345,181 occupiable square feet of office space for various agencies housed in the Gateway Building at 36th and Market Street. The existing 20-year lease (13.86 per square foot) expires November 12, 1992. GSA is requesting leasing authority for 10 years at an estimated maximum annual cost of $5,522,896 ($14-16 per square foot).

Century Building, Arlington, Virginia (Navy)

Proposes a replacement lease for 65,711 occupiable square feet of space currently leased at the Century Building in Crystal City. The primary tenant is the Navy, with the IRS occupying 7,416 square feet of space. The current lease expires October 15, 1991. Leasing authority of 7 years with cancellations rights after 5 years is requested since both the Navy and the IRS offices are scheduled to be included in major consolidations in federally owned space in the near future. GSA is requesting leasing authority for 7 years at an estimated maximum annual cost of $2,497,018 ($22-38 per square foot). The approval of this prospectus will not be required if the Committee approves the 11(b) Report on Navy housing and authorizes the appropriations for building new facilities for the Navy.

Crystal Gateway 4, Arlington, Virginia (Navy)

Proposes a replacement lease for 53,135 occupiable square feet of space currently leased to house the Navy at Crystal Gateway 4 in Crystal City. The current lease expires October 31, 1991. Leasing authority of 7 years with cancellation rights after 5 years is requested since the tenants are to be included in a Navy consolidation in federally owned space in the near future. GSA is requesting leasing authority for 7 years at an estimated maximum annual cost of $2,019,130 ($22-38 per square foot). The approval of this prospectus will not be required if the Committee approves the 11(b) Report on Navy housing and authorizes the appropriations for building new facilities for the Navy.

Crystal Plaza 5, Arlington, Virginia (Navy)

Proposes a replacement lease for approximately 117,455 occupiable square feet of space leased to house the Navy at the Crystal Plaza 5 building in Crystal City. The current lease expires February 29, 1992. Leasing authority of 7 years with cancellation rights after 5 years is requested since the tenants are to be included in a Navy consolidation in federally owned space in the near future. GSA is requesting leasing authority for 7 years at an estimated maximum annual cost of $4,463,290 ($22-38 per square foot). The approval of this prospectus will not be required if the Committee approves the 11(b) Report on Navy housing and authorizes the appropriations for building new facilities for the Navy.

Patent and Trademark Office, Crystal City, Virginia

Proposes the leasing of 130,000 occupiable square feet of space for the Patent and Trademark Office in Crystal City. This space will consolidate and provide expansion space for the Trademark Office and relocate the Patent Documentation office. Some leased space being vacated by the Trademark Office will be released while other space will be used for expansion space for the Patent Examiner Corps and the Office of National and International Application Review. The proposed lease will expire coterminously in 1996 with expiration of the majority of other existing Patent and Trademark leases in Crystal City in anticipation of an agency consolidation, possibly in federally owned space. GSA is requesting leasing authority for 10 years at an estimated maximum annual cost of $4,940,000 ($26-38 per square foot).

However, GSA present value analysis states that the 30 year cost of leasing is $59,097,000 while the cost of construction is $42,656,000. The Patent and Trademark Office lease prospectus approved by the Committee last fall which demonstrated similar cost savings by the construction alternative. Therefore, this lease will only be for 6 years in order for GSA to plan and construct a government owned facility for the Patent and Trademark Office.

Skyline VI, Falls Church, Virginia (DOD)

Proposes a replacement lease for 131,963 occupiable square feet of space and six official parking space for various DOD agencies. The current lease expires August 14, 1992. GSA is requsting leasing authority for 10 years at an estimated maximum annual cost of $5,014,594 ($22-38 per square foot).

Internal Revenue Service, Fresno, California (Lease Renewal)

Proposes leasing of 456,085 occupiable square feet of space for the IRS Service Center in San Jose. The current lease on the space expires on November 7, 1991, and provides for two additional 5-year renewals at $5.20 per square foot. GSA is requesting leasing authority for 10 years at an estimated maximum annual cost of $2,370,548 ($5.20 per square foot).

Judiciary Plaza, Washington, DC (Lease Renewal and Alteration)

Proposes exercising a 5-year renewal option for 316,870 occupiable square feet (current lease expires July 31, 1992) and the continued leasing of 26,868 occupiable square feet of additional space (lease expires September 15, 1993), primarily to house the SEC and a few other smaller offices.

The prospectus also proposes the installation of a fire sprinkler system for compliance with new firesafety standards since the original lease was signed. The cost, $1,550,000, will be funded through an amortized increase in the base rent or with a lump sum payment.

GSA is requesting leasing authority for 5 years at an estimated maximum annual cost of $11,686,752 ($22.05 per square foot which includes the cost of the sprinkler system).

State Department, One McPherson Square, Washington, DC (Succeeding Lease)

Proposes a succeeding lease to provide 70,138 occupiable square feet of space for the State Department's Passport Office. The current 20-year lease at this location expires on August 21, 1992. A succeeding lease to remain in this building is proposed since the Passport Office is scheduled to move into the International Cultural and Trade Center (ICTC) building when that is completed. Cancellation rights will be negotiated. GSA is requesting leasing authority for 10 years at an estimated maximum annual cost of $2,945,796 ($26–42 per square foot).

Department of Veterans Affairs, One McPherson Square, Washington, DC

Proposes a replacement lease to provide 73,400 occupiable square feet for the Department of Veterans Affairs. The current lease expires August 21, 1992. GSA is requesting leasing authority for 10 years at an estimated maximum annual cost of $3,376,400 ($26–46 per square foot).

Patrick Henry Building, 601 D Street, NW., Washington, DC (Succeeding Lease)

Proposes a succeeding lease for 352,533 occupiable square feet of space for various Federal agencies currently housed in the Patrick Henry Building. The current lease expires October 20, 1993. The long-term plans for the primary tenants, Bureau of Labor Statistics, Justice, Archives and USIA (television studios), provide for these agencies to move into other facilities. Cancellations rights as appropriate will be included in the succeeding lease. GSA is requesting leasing authority for 10 years at an estimated maximum annual cost of $14,806,386 ($26–42 per square foot).

Transpoint Building, Washington, DC

Proposed a replacement lease for 476,958 occupiable square feet of space plus 666 parking spaces for several agencies currently located at 2100 Second Street, SW. The current lease expires May 15, 1993. The long-term housing plan for the primary tenant, the Coast Guard, calls for the agency to be located in the new DOT headquarters to be built in the District. However, this will take 5 to 10 years. GSA is requesting leasing authority for 10 years (with cancellation rights) at an estimated maximum annual cost of $21,940,068 ($26–42 per square foot).

601 Pennsylvania Avenue, Washington, DC (Succeeding lease)

Proposes a succeeding lease for 85,128 occupiable square feet of space for the Federal Trade Commission. The current lease expires February 29, 1992. This facility is close to the Main FTC Building and personnel in this building share facilities located at the Main FTC Building. GSA is requesting leasing authority for 10 years at an estimated maximum annual cost of $3,575,376 ($26–42 per square foot).

Internal Revenue Service—Regional Office, Philadelphia, Pennsylvania

Proposes a new lease for approximately 112,000 occupiable square feet of space to house the Regional Office of the IRS. Two leased locations will be consolidated in a single location. Current leases expire August 28, 1990, and March 25, 1992. GSA is requesting leasing authority for 10 years at an estimated maximum annual cost of $3,360,000 ($20–30 per square foot). The GSA present value analysis states that the 30 year cost of leasing is $38,949,000 while the cost of construction is $33,528,000.

Internal Revenue Service, Martinsburg, West Virginia

Proposes the lease construction of 63,000 square feet to accommodate expansion space requirements of the National Computer Center of the IRS. The Center currently occupies approximately 205,000 occupiable square feet in several buildings in Martinsburg. New functions to be housed in this space include: national payroll processing, national training center for automated Federal payroll processing, and a national data switching center for tax return processing. GSA is requesting leasing authority for 20 years at an estimated maximum annual cost of $2,520,000 ($32–40 per square foot). The GSA present value analysis states that the 30 year cost of leasing is $23,244,000 while the cost of construction is $19,930,000.

GENERAL SERVICES ADMINISTRATION FISCAL YEAR 1991 CAPITAL IMPROVEMENT PROGRAM AND BUDGET, INCLUDING ALL PENDING CONSTRUCTION, DESIGN, REPAIR AND ALTERATION, AND LEASE PROSPECTUSES; 11(b) RESOLUTION FOR ORANGE, RIVERSIDE, AND SAN BERNARDINO COUNTIES IN CALIFORNIA; AND THE CONTINUED RENOVATION OF THE PENSION BUILDING IN WASHINGTON, DISTRICT OF COLUMBIA, TO HOUSE THE NATIONAL BUILDING MUSEUM

THURSDAY MAY 3, 1990

House of Representatives,
Subcommittee on Public Buildings and Grounds,
Committee on Public Works and Transportation,
Washington, DC.

The subcommittee met, pursuant to notice, at 9:38 a.m. in room 2253, Rayburn House Office Building, Hon. Douglas H. Bosco [chairman of the subcommittee] presiding.

Mr. Bosco. The Subcommittee on Public Buildings and Grounds will come to order.

Today, we have an 11(b) housing study of counties request by Mr. Dannemeyer, and then our hearing will examine the General Services Administration's fiscal year 1991 capital improvement budget. This program includes construction, repair and alteration design in lease projects.

Congressman Petri, do you have any opening remarks?

Mr. Petri. Yes, Mr. Chairman. However, it will be brief.

The subcommittee has a full agenda this morning, and I would like to say that I appreciate the fact that a number of our colleagues are present. I am looking forward to hearing their statements in support of various projects in their areas.

I ask unanimous consent that the opening statement of the ranking Republican member of the full committee, Mr. Hammerschmidt, be included in the record.

Mr. Bosco. Without objection, the totality of his remarks will be included in the record.

[Mr. Hammerschmidt's prepared statement follows:]

STATEMENT OF HON. JOHN PAUL HAMMERSCHMIDT

Mr. Chairman, today the subcommittee will be considering GSA's fiscal year 1991 capital improvement and leasing program for which authorization is required under the Public Buildings Act of 1959. The scope of work proposed for the coming year ranges from construction of major headquarters buildings to necessary repairs to preserve or improve our existing Federal buildings. Many items which will be addressed today, such as the consolidation of the Navy in Government-owned space in Virginia, have been the source of much discussion and, in some cases, a certain amount of controversy, over the past several years.

Also on our agenda is consideration of a housing study for court space in southern California, which has been requested by Congressman Bill Dannemeyer. I want to welcome the many other Members who will appear before the subcommittee this morning in support of the projects in their district. Mr. Robert Duemling, Director of the National Building Museum, and one of our committee members, Bill Clinger, are also present to discuss the continuing renovation of the Pension Building. I look forward to their testimony.

Thank you, Mr. Chairman.

Mr. Bosco. Are there other opening statements?

Mr. DUNCAN. No, I do not have an opening statement, Mr. Chairman.

Mr. Bosco. Thank you, Mr. Duncan.

All right, we will start with the 11(b) resolution proposed by Mr. Dannemeyer.

We are happy to have you today, Bill, and will be pleased to hear about this project.

TESTIMONY OF HON. WILLIAM E. DANNEMEYER, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF CALIFORNIA

Mr. DANNEMEYER. Mr. Chairman and members, I have a statement here that I would like to file for the record and just summarize what this is about.

The West has been settled. There are some in the Federal Judiciary, specifically the presiding judge of the Federal District Court in Los Angeles, Manual Real, who do not believe that. We have a judicial district, the Central District of California, that is the largest in America. It has over 12 million people in it. I seek, as a resident of California to the south, to carve off a judicial district—three counties, Orange, San Bernardino, Riverside. When it is carved off by itself, it will have a population larger than the average judicial district in the country.

We have a situation in Southern California where a trial juror performing a civic duty travels from San Luis Obispo to Los Angeles or Santa Ana, my home county—from San Luis Obispo to Santa Ana is about 230 miles. That is about the distance from Washington, D.C. to New York. Can you imagine a situation in our Federal Judiciary where a trial juror performing a mandatory civic duty travels an equivalent distance through urban areas from Washington, D.C. to New York? It is just incredible that we would do this to trial jurors, witnesses and litigants—that is what this is about.

I seek 11(b) studies to determine the feasibility for court facilities, Federal court facilities, not only in Orange County, but San Bernardino, Riverside, and that is what this request is about.

Mr. Bosco. That certainly sounds like a reasonable request to me.

Mr. Petri, do you have anything to say?

Mr. **Petri**. Our colleague, Mr. Cox, wanted to be here and is not at this time, and I think he may have had some reservations. Do you know what they were? I know you cannot speak for him, but you probably discussed it with him.

Mr. **Dannemeyer**. No, I do not think he has any reservations. The entire Congressional delegation that is in the area that we are talking about—Orange, San Bernardino, Riverside—is coauthor of the legislation.

Mr. **Petri**. He wanted to be here to support this?

Mr. **Dannemeyer**. I believe he would be here to support this. He already has underway a study, I think, to determine the location of a court facility in Orange County, which I support. That is needed. We have a temporary right now with two judges sitting in Orange County. It has been there for a couple of years, but we have need for far more than that.

We also have a need for a Federal Court facility in San Bernardino, Riverside. Those of you who know something about Southern California——

Mr. **Petri**. San Diego has changed a lot in the past 20 years, that is about all. [Laughter.]

Mr. **Dannemeyer**. We cannot stop growth in California any more than we can stop the tides. It is going on, and people are coming there, and that is the way it is.

Mr. **Petri**. You said, though, that was it the court administrator, then, that had reservations about breaking this district up?

Mr. **Dannemeyer**. The biggest impediment is the presiding judge of the Federal District Court of Los Angeles, Manual Real, who believes that the efficient administration of justice is advanced by having all of the courts in this central district in one location in Los Angeles. I can tell you that I respect that point of view, but I believe, as a lawyer of long years of practice, that the courts exist to serve the people who come to them for the administration of justice. They do not exist to serve the convenience of the persons administering the court system.

Now, that is a difference in philosophy. When I was a member of the State Legislature in California, I was successful in generating support to create a night traffic system in California in our urban areas, and I ran into a similar attitude of judges—good friends of mine—who, frankly, did not want to work nights, but I will say again, the courts exist to serve the people who come there, not the people who run the courts.

Mr. Bosco. If the gentleman will yield?

Mr. Dannemeyer, I should read you your rights. Are you aware that my wife is a judge? [Laughter.]

Mr. **Dannemeyer**. And I am sure she is eminently qualified to serve.

Mr. Bosco. The night court might be a good idea. [Laughter.]

Mr. Duncan, do you have any comments about this?

Mr. **Duncan**. Well, the only comment I would make, Mr. Chairman, is that I know Mr. Dannemeyer does not make requests for Federal appropriations or for Federal money to be spent lightly, and I am sure that this is very needed.

Mr. Cox, who is a member of this subcommittee, told me, Mr. Dannemeyer, that people in your area have to drive through a great deal of traffic, and it takes a pretty long time to get to where the courts are now. Is that correct?

Mr. **DANNEMEYER**. That is true. It is just part of living in that urban complex.

Mr. **PETRI**. He said it takes sometimes two or three hours to get through all the city traffic and so forth just from areas close in, so I think it is something that really needs to be looked into.

[Mr. Dannemeyer's prepared statement appears on page 33.]

Mr. BOSCO. Thank you, very much, Mr. Dannemeyer. We will be having a markup shortly on these matters and will be happy to work with you on this.

Let us go on to the General Services Administration Capital Improvement Program. We will hear from the Members of Congress first on this matter.

I am going to call on Mr. Clinger, who is on our full committee, and welcome you, as always, to testify.

Mr. Clinger.

TESTIMONY OF HON. WILLIAM CLINGER, A REPRESENTATIVE IN CONGRESS FROM PENNSYLVANIA

Mr. CLINGER. Thank you very much, Mr. Chairman, and thank you for this opportunity to testify this morning about the National Building Museum. I have a statement that I ask might be submitted for the record, and I will just summarize, if I might.

Mr. BOSCO. You may do that.

Mr. CLINGER. Basically, this committee has been involved with the Pension Building and the National Building Museum for about the past 12 years, because it was about 12 years ago that legislation was passed which started preliminary design work to create a Museum of the Building Arts, and then in 1980, the National Building Museum was created to provide a national center to commemorate and encourage the building arts, and to do in a nationally significant building, the Pension Building. The Pension Building had been in real danger of being dismantled and torn down. I think that anyone who has seen that building realizes what a horrible tragedy that would have been had the Pension Building been destroyed at that time.

Since then, Congress has invested about $24 million to meet the mandate of providing a significant Museum for the Building Arts in that building. As a result we have completed a significant amount of renovation and repair to the building in roof replacement, cleaning and repair, restoration of the great hall, and the other interior spaces, the mechanical, electrical, security, and fire safety improvements, and the museum space development, have all been completed.

In order to finish, finally, all of the work necessary to really restore the building and to establish the museum permanently, they are seeking a $5.9 million for the National Building Museum, which would complete the site and exterior improvements which were not funded previously, but were contemplated in the original plan, and also to complete additional museum improvements and other needs which were not included in the initial renovation.

These items, I would state, Mr. Chairman, are basically a continuation of the previous authorization and direction which were given in the act which created the museum and under which the previous $24 million has been appropriated over the past several years, so I do not believe that it requires a new authorization, and I would think that the GSA would so testify later today. So I would just thank you, Mr. Chairman, for the opportunity to express my support for the completion of the renovation of the Pension Building so that it can continue to operate as intended as the home to the National Building Museum, and I would just urge the subcommittee to give whatever support it can to an appropriation to complete that work.

Mr. Bosco. Thank you very much. We appreciate your arduous work on behalf of the museum, and I know that has gone on over a long period of time.

Mr. Petri?

Mr. Petri. You mentioned that GSA has completed the previous $24 million of work on the building, and you implied—but I wanted to ask if you would make it explicit—is it your understanding that no further authorization is necessary to complete the renovation of the building for use of the Building Museum?

Mr. Clinger. That is certainly my understanding and belief that under the original authorization we have funded about $24 million over the past 12 years to get the building back into shape and to create the museum. What this would really do is just finish up what was originally authorized in the initial legislation.

Mr. Petri. I will check with GSA when they come before us to see if that is also their understanding.

Mr. Clinger. Please do. I hope that they will second the motion.

Mr. Bosco. Mr. Duncan.

Mr. Duncan. I have no questions, Mr. Chairman.

Mr. Bosco. Thank you very much, Mr. Clinger.

Mr. Clinger. Thank you, Mr. Chairman.

[Mr. Clinger's prepared statement appears on page 30.]

Mr. Bosco. We will next hear from Congressman Sabo. Thank you very much for being with us today, Marty. We are happy to take your testimony and any part of it that you want to submit for the record, we will do that to.

TESTIMONY OF HON. MARTIN SABO, A REPRESENTATIVE IN CONGRESS FROM MINNESOTA

Mr. Sabo. Thank you, Mr. Chairman, Mr. Petri, and Mr. Duncan. Thank you for this opportunity to appear.

Today I would like to visit with you about the proposal for a new Federal courthouse in Minneapolis. As you know, the President's budget contains a request for $53 million to begin remodeling and rebuilding a new Federal courthouse in Minneapolis. I would like to give you a little background on this project and request your support for a new courthouse and some modification in the Administration's proposal.

The Federal courthouse in Minneapolis was built as a temporary building over 30 years ago. It is seriously inadequate as a judicial facility and suffers from major problems in its basic support and security systems.

In 1984 the Federal judges in Minneapolis came to me to discuss these problems and the feasibility of replacing their building. When my staff called the General Services Administration to inquire about this matter, they were told we would not get a new Federal courthouse in Minneapolis in their lifetime. Since that first conversation, GSA has inspected the building and realized how inadequate it is. GSA would now like to go ahead and remodel and expand the building on its existing site. For this purpose, the President has included $53 million in this year's budget request with an understanding that an additional $15 million will be requested in subsequent years.

We in Minneapolis have some serious problems with this request and would like your help. Basically, the city of Minneapolis wants to work with GSA on the development of a new facility, and let me add that GSA has been very cooperative.

The Minneapolis City Hall is a beautiful, old, and historic building. Across the street from it is the attractive, modern Hennepin County Government Center. The city would like to acquire another block in that row for the new Federal facility. This would then become a Government corridor in which citizens could receive a variety of Government services. The city wants a building of integrity and quality which will further enhance our downtown area.

In order to accomplish this objective, we need a little more time. I would request that you authorize the building and approve funding at least up to the President's request, but ask GSA to delay building for the next year while it works with the city on reviewing proposals for a new facility on a different site. I intend to ask the Appropriations Committee to appropriate the funds you authorize, fence them for a year until the city and GSA have time to work through their differences and come up with an optional replacement plan.

I cannot promise you that it won't require more funds, and I will probably be back here next year asking for the final amount we need to complete the project. I can promise you, however, that the taxpayers' dollars will not be wasted. We have had very good experience building Federal facilities in Minnesota. In fact, the two buildings I have been most directly involved with since I came to Congress—a new Veterans Administration hospital and a visitor center in the Minnesota Valley National Wildlife Refuge—both came in under estimate. These facilities are beautiful, of high quality, and imaginatively designed.

There are a number of developers who are interested in working with the city and GSA on a new courthouse. I believe the Federal Government could benefit significantly from working with the local people on this project, and I hope you will give us your support.

I also included with my testimony a local editorial on the subject that is in support of a new building, and Mr. Chairman and colleagues, I thank you for the opportunity to visit with you and will be happy to answer any questions.

Mr. Bosco. Thank you.

Would you be working directly with the GSA and the city to come up with this?

Mr. **Sabo**. We have been in touch with both of them. They are also both for building. The approximate difference in geography is that the old building, which has a parking lot where GSA had plans to build the new building and then rehab the old one, is about two blocks apart from where the city would prefer.

GSA has been out to Minneapolis and visited with local officials to see what the potential is for transfer of land.

The difference in cost might come—the GSA estimate of what they wanted to build new was $53 million, and then $15 million later for rehabing the old building. Their estimates are that building that same square footage as a new building would be more. What those estimates will be, I do not think one can predict. I think it is safe to say it is more likely to cost more than the $53 million plus the $15 million.

A local developer said he could build for that cost, and I suspect that probably is understating it, but what we would then have is sort of a three block corridor of county government, city, and Federal buildings in one Government corridor. Frankly, the old building—if you wanted to retain a rectangular box, that is what it looks like.

Mr. Bosco. Well, in my opinion, I think Members of Congress are elected to represent their people, and I feel that Members of Congress should have absolute authority over these types of decisions, within reason, and it sounds to me like this is a reasonable request on your part.

Mr. **Sabo**. We are working closely with GSA, and we have been in regular touch with them.

Mr. **Petri**. We are eager to work with you on this. Are your Senators on board?

Mr. **Sabo**. Yes.

Mr. **Petri**. Are there any ideas as to what would be done with the existing Federal building if we went the second route?

Mr. **Sabo**. It would probably be demolished. What we hoped to have is transfer of properties of the city transferring land in the block where they would prefer to have the building built for the transfer of the Federal property to the city.

Mr. **Petri**. The city could use it as an annex or something else?

Mr. **Sabo**. No, the building would, I am sure, go down, and it would involve new development in that area.

Mr. **Petri**. Thank you.

Mr. Bosco. Mr. Duncan.

Mr. **Duncan**. No questions, Mr. Chairman.

Mr. Bosco. Okay, thank you very much, Mr. Sabo.

Mr. **Sabo**. Thank you very much.

Mr. Bosco. It has been a pleasure.

[Mr. Sabo's prepared statement appears on page 48.]

Mr. Bosco. Mr. Schaefer, we will be happy to hear your remarks this morning.

TESTIMONY OF HON. DAN SCHAEFER, A REPRESENTATIVE IN CONGRESS FROM COLORADO

Mr. **Schaefer**. Thank you, Mr. Chairman, I will be brief. I know the time of the committee is short.

What I am here to talk about is the renovation of a building in the Federal Center, right outside the west part of Denver. Building 56 was first built in 1941, and manufactured .30 caliber and .50 caliber machine guns at that time. The GSA has asked for $8.58 million to renovate this particular facility, as the Federal area out there, the Federal Center as we call it, sometimes the Washington of the West, because it is housing 8,600 Federal employees on about 600 acres, is a huge facility that we have out there. What we are trying to do is renovate this building and get into the work of geothermal energy, biology and electrical power studies, which is mainly done out there.

The Department of the Interior has most of this facility, but all other agencies are involved, including GSA.

So with that, Mr. Chairman, I would ask that my testimony be submitted as part of the record. I would be happy to answer any questions that the committee may have pertaining to this renovation out there.

Mr. Bosco. Thank you very much, Mr. Schaefer. We appreciate your interest in this building.

Are there questions for Congressman Schaefer?

Mr. DUNCAN. No, I have none.

Mr. Bosco. Well, thank you, Mr. Schaefer. We will work with you. We have your statement, and we will be getting in touch with you.

Mr. SCHAEFER. And we have additional information in case the committee should need it.

Mr. Bosco. Great.

Mr. SCHAEFER. Thank you.

Mr. Bosco. Thank you.

[Mr. Schaefer's prepared statement appears on page 41.]

Mr. Bosco. And now we will turn to our colleague, John Duncan, to discuss the post office and courthouse in Knoxville, Tennessee.

TESTIMONY OF HON. JOHN J. DUNCAN JR. A REPRESENTATIVE IN CONGRESS FROM TENNESSEE

Mr. DUNCAN. Mr. Chairman, I have a formal statement that I will submit for the record.

To summarize and be very brief, we are requesting authorization of a new Federal courthouse facility in Knoxville. The present Federal courthouse in Knoxville is in a building that is owned by the U.S. Postal Service, and it was constructed in 1934. It is 56 years old and it is, I think, totally inadequate for the judiciary needs that we have in the Eastern District of Tennessee at this time.

When the Federal courthouse was constructed, there was one Federal judge for the entire Eastern District of Tennessee. Today there are four Federal judges for the Eastern District of Tennessee, and the plans call for the expansion of an additional judge sometime this year, so that will make five judges.

The judiciary and the related judiciary agencies are located in Knoxville in four separate buildings. The bankruptcy judge—and also there is also a recommendation for an additional bankruptcy judge—is located presently in a bank building in Knoxville. The probation counselors are located in another bank building. We have a court that is in another building across the street from the courthouse, so they are all spread out.

The caseload has grown a great deal since 1934, and the Federal jurisdiction, which was very limited in 1934, has grown tremendously since that time.

Congressman Quillen joins me in this request, and also Senator Sasser has worked very closely with us and is carrying the ball on this in the Senate. I also say that we tried to work with the GSA and the Postal Service in coming up with some way to renovate the present facilities, but we just found that it was impossible to do this and meet the present needs, not even to speak of the future needs, so the GSA recommends this also.

We are requesting authorization of $2.9 million in fiscal year for site costs and preparation, and also $1.7 million for estimated design costs for a total of $4.6 million in fiscal year 1991. I think it is a very justified request.

In east Tennessee that is a lot of money, and we do not make this request lightly, but I would certainly appreciate the favorable consideration of this subcommittee for this requested authorization.

Mr. Bosco. Thank you.

Just in reference to Mr. Dannemeyer's testimony, how far would someone have to travel, do you know, from the farthest reaches to get to the courthouse?

Mr. Duncan. I do not know the exact distances. The district runs from upper-east Tennessee to Winchester, which is almost in middle Tennessee, and I would say that the district covers well over 200 miles total. Sometimes the judges do hold court in Greeneville, Winchester and Chattanooga, but the headquarters for the district—and all the judges hold court at one time or another in Knoxville, and that is where the main facility is. People from upper-east Tennessee and lower-east Tennessee are involved in cases that are heard in Knoxville. Knoxville is, or course, the center of east Tennessee, but still you are talking about distances of 120 or 130 miles.

Mr. Bosco. So a juror might travel for three, four hours?

Mr. Duncan. The jurors come from all over east Tennessee, so they might have to travel a great distance. I remember my grandfather was a farmer and carpenter in Scott County near the Kentucky line, and I remember years ago he was called to jury duty in Knoxville and spent some time with us when I was a small boy, and that was the first time that he had ever come to Knoxville. Of course we are talking from a real poor rural area, the first time that he had ever stayed in Knoxville at any rate, and so the jurors do come from all over.

Mr. Bosco. Do you have any questions, Mr. Petri?

Mr. Petri. No.

Mr. Bosco. It sounds like you have a good project here, and we will certainly be working with you as a member of our subcommittee on getting this completed.

Mr. Duncan. Alright. Thank you very much.

[Mr. Duncan's prepared statement appears on page 41.]

Mr. Bosco. Now we will hear from Mr. Robert Duemling, president and director of the National Building Museum.

Mr. Duemling, we are very happy to have you with us this morning.

TESTIMONY OF ROBERT W. DUEMLING, PRESIDENT AND DIRECTOR, NATIONAL BUILDING MUSEUM

Mr. **Duemling**. Thank you, Mr. Chairman.

With your permission and that of the other members of the subcommittee, I would like to read a very brief statement.

Mr. Chairman, I am Robert W. Duemling, president and director of the National Building Museum. Thank you for giving me this opportunity to appear before the subcommittee to support the proposal for an appropriation to complete the restoration and renovation of the Pension Building.

In December 1980, by Public Law 96-515, the Congress mandated the establishment of a National Building Museum to celebrate American achievements in building and to encourage excellence in the building arts. The sponsors of this legislation envisioned a partnership between the museum—a private nonprofit 501(c)(3) institution—and the Government, specifically the Department of the Interior and the General Services Administration. The legislation provided that the museum would be housed in the historic landmark Pension Building, which would be restored and renovated for this purpose.

Since 1981, the Congress has appropriated funds, administered by GSA, to restore this magnificent structure—which contains the largest single, enclosed space in Washington and the largest Corinthian columns in the world—to its original architectural quality and distinction. These achievements made it possible for the National Building Museum to open its doors to the public in October 1985, even as the lengthy and complex task of restoration and renovation proceeded. It was no easy matter to retrofit a century old building for the purposes of a contemporary museum. The major part of the job was concluded early this year.

The National Building Museum is now seeking the additional funds necessary to complete the renovation and restoration program as originally intended. We firmly believe that this additional funding will be the final occasion in which the museum will seek Congressional funding at any tine in the foreseeable future.

There are essentially two reasons why this additional funding is needed. First, budgetary limitations prompted deletion of major sections of the original program, most notably the landscaping. As a result, one of Washington's most spectacular buildings stands in a most unspectacular setting. The proposed landscaping program will restore some of the original pathways and greenery, revamp the south side of the site to reunite the building with Judiciary Square, and rationalize loading and parking facilities. The intent is to restore the Pension Building to its original preeminence as a public space, particularly as the surrounding areas of the east end become more built up and densely populated.

Second, the museum's programs grew more rapidly than expected, necessitating expansion of programming space onto the second floor. Although both first and second floors have been allocated to NBM, several areas require adaptations to make them suitable for exhibitions and other museum purposes, in order to fulfill the museum's mandate from the Congress. In addition, the initial renovation did not fully anticipate some of the unique needs of this multipurpose facility, and after several months of operation, shortcomings have become apparent.

The cost estimate for additional renovations to the National Building Museum is $5.45 million. The figures include the construction price as base with 8 percent contingency, 20 percent administration, 12 percent design.

For budget purposes the estimate should be escalated by five percent per year to the midpoint of any planned construction. Assuming that point will be two years hence, the cost estimate of $5.45 million should be increased to $5.99 million.

Mr. Chairman, this proposal has been discussed in great detail with the General Services Administration, which also produced the estimated cost figures for the project. I would like to note for the record that GSA and the museum have established an excellent working relationship, and that this public/private partnership is flourishing.

This is not the occasion to discuss the work of the museum, but I would like to assure the Congress that its vision in 1980 has been solidly validated by the achievements of the past decade. We have offered the public 33 exhibitions, ranging widely over all aspects of the built environment. Our publications and especially educational programs have brought concern for the built environment to hundreds of thousands of people, including school children.

In short, Mr. Chairman, I ask that the Congress reconfirm its commitment to this unique institution—the only one of its kind in the world, incidentally—and approve and appropriate the funds necessary to assure its completion and continuing success.

Thank you, and I would be happy to respond to any questions that you or the Members may have.

Mr. Bosco. Thank you, Mr. Duemling.

I have visited the museum, and certainly you are correct, it is a spectacular building. One of the things though, without any deep knowledge of it, but it looks like it is empty. I mean, is any attempt going to be made to put——

Mr. **Duemling**. Well, let me respond to that. We have intentionally kept the great hall largely empty. Most of the activities of the exhibitions, the educational spaces and so forth, are in the surrounding areas which were originally the offices of the Pension Bureau, so that those surrounding areas contain exhibitions and educational facilities and so forth, and an auditorium and conference rooms. We have intentionally kept that large central space free and largely unencumbered because of the majesty of the space itself. The intent was not to clutter it, if you will, by putting things in the central space.

We did have one very large exhibition there about uses of sheet metal, which was up throughout 1988 for about 10 months, as I recall, at the western end of the great hall. It was an exhibition that attracted a great deal of attention. But there is another reason that we don't put things in there, and that is that under terms of our mandate from the Congress, we must make the space available—the great hall space available—for uses by the Government for representation and other purposes.

Every four years, for example, there is an inaugural ball, and the space was originally created for that purpose. In the 1880s when that building was built, Washington did not have a space where citizens could gather, and the first large public event in that building was the inaugural ball of Grover Cleveland in 1885, so we have intentionally kept it open. Indeed, the Congress itself has used that great hall on numerous occasions for dinners and receptions and meetings, so quite intentionally, there is no permanent encumbrance of the great hall, and our activities of the museum really take place in the surrounding spaces.

Mr. Bosco. When it was used for customs purposes, were there desks there? Was that hall actually used as an office?

Mr. **Duemling**. What happened was that it was not intended originally to be used in that fashion, and I believe it was not until sometime around World War I that any type of office use was made of that central space. In other words, it remained open, completely open, for at least, I would think, 20 to 30 years, and then there was additional pressure on the use of the building, and particularly during the time when the General Accounting Office occupied the building from about 1926 to 1950, that central hall was filled with desks and filing cabinets and so forth. We have photographs of all that, and frankly, it was kind of a shame. It clearly detracted from the quality of the space, that was not intended to be used in that fashion, but under the pressures of increasing need, particularly by the General Accounting Office before it moved out, it was so used.

Then, I think, from about 1950 and throughout the 1960s, you may recall there were courts in there. There were some district licensing offices—marriage licenses, auto licenses and so forth—and the space was partly used at that time. It was not designed for that use.

Mr. Bosco. Aside from the great hall, how many floors is the building?

Mr. **Duemling**. There are four floors in the building. The first and second floors were committed to the Building Museum, with the intent that, if and as the museum grows, we might take over more space on the third and forth floors. But until that should happen, the General Services Administration administers that space, and at the present time on the third floor the Fine Arts Commission has moved in, the Federal Quality Institute is also housed there, and I think very soon, the General Accounting Office is going to be utilizing all of the fourth floor. They are, of course, across the street from us to the north in their own building, but because of some restorations taking place in their building they need some swing space, as it were, and are going to take over the space on the fourth floor, and perhaps use it for upwards of five years or so.

Mr. Bosco. So the building is being productively used?

Mr. **Duemling**. Without question, Mr. Chairman We are actively using it. The other Federal agencies and Congress are using it, and it is being used quite frequently by organizations and institutions in the evening who wish to use it for the purposes, which as I say, it was originally designed, that is, a place for people to meet in the city of Washington.

Mr. Bosco. Do you know approximately how many people come to visit the museum as such, as a museum?

Mr. **Duemling**. Yes. Our current attendance is running at about 90,000 a year, and it is constantly increasing. It is on an ascending rate.

Mr. Bosco. These are people who want to see the building because of its historic importance or are they interested in the museum.

Mr. **Duemling**. All of those reasons. There are increasing numbers of people who know about both the museum and the building, and we, of course, have an active public relations program to inform people about what is taking place—exhibitions and educational programs and so forth, so that those people, those 90,000 that I speak of, are coming in specifically for the purposes of seeing the building or the exhibitions of the museum within the building. In fact, many more people than that are actually coming in to the building, because that figure of 90,000 does not include all of the people who come there in the evenings for various kinds of special events, some of which are sponsored by the building museum, but many of which are independently sponsored, so literally hundreds of thousands of people are coming into the building every year, and it is being very actively used and increasingly actively used.

Mr. Bosco. Well, thank you very much, Mr. Duemling.

Mr. Petri, do you have any questions?

Mr. **Petri**. I guess I just have two questions.

You refer generally to shortcomings that became apparent after the museum opened. Could you describe some of them, briefly, and what your work is actually going to be?

Mr. **Duemling**. What occurred was that initially it was thought that the activities of the museum, particularly the exhibition spaces, would be confined to the first floor of the building. It then became apparent that we needed more space, particularly for permanent exhibitions of which we are planning a very important one on the city of Washington, both its monumental core and the city that surrounds the core, and that permanent exhibition will be housed on the second floor. Those spaces were not originally contemplated to be exhibition spaces as such, but it became apparent as we lived in the building that that was the appropriate thing to do.

When the initial building plans were made, of course, the museum, as such, was just coming into existence, and there was no operational experience as to precisely how the museum would function within those spaces, so we have had to alter some of the lighting in the spaces. We have had to improve and extend the alarm systems—fire alarms and security alarms within the building, also the HVAC and the climate control for exhibition galleries and so forth, and these necessities, and some of these things we saw originally, but frankly, there was not the money in the earlier appropriations to achieve those objectives.

One of the reasons why there was not money was because things were encountered in the process of restoring and renovating the building that could not have been known in advance. For example, there was a steam pipe connection to the General Accounting Office underground which did not appear on any of the plans that were available in the city offices and so forth, so suddenly the contractors were faced with a very serious problem of how to deal with that, and when you are dealing with a 100-year-old building, there are some surprises.

Mr. Bosco. Mr. Geren, do you have any questions?

Mr. **Geren**. No, I have no questions, Mr. Chairman.

Mr. Bosco. Well, thank you very much, Mr. Duemling. You all are doing a notable job out there.

Mr. **Duemling**. Thank you, Mr. Chairman. I appreciate the opportunity to appear before you.

[Mr. Duemling's prepared statement appears on page 37.]

Mr. Bosco. Now we will hear from Mr. David Bibb, the Assistant Commissioner, Office of Facility Planning for the Public Building Services of the General Services Administration.

Well, we are happy to have you here to talk about what I guess will be one of the largest building programs that we have taken on in recent memory. Some of the Members are asking me about naming buildings, and I tell them that we are not building any buildings to name. We have gotten down to the point where we have to start naming leases after people. [Laughter.]

A short term problem, but good news for the taxpayers.

Why don't you proceed with your testimony?

TESTIMONY OF DAVID L. BIBB, ASSISTANT COMMISSIONER, OFFICE OF FACILITY PLANNING, GENERAL SERVICES ADMINISTRATION, ACCOMPANIED BY DALE GOTTSCHALK, DIRECTOR, REPAIR AND ALTERATIONS DIVISION, AND JERRY HEFNER, DIRECTOR OF PROJECT DEVELOPMENT DIVISION

Mr. **Bibb**. Thank you, Mr. Chairman. I have a very short opening statement.

Mr. Chairman and members of the subcommittee, it is my pleasure to appear before you today to discuss capital improvement and leasing prospectuses in the General Services Administration's fiscal year 1991 program.

Our prospectus program reflects the continuation of GSA's commitment to the efficient and cost-effective management of Federal facilities. This commitment stresses the provision of a safe and healthful work environment, a quality workspace at reduced utilization rates, a modernized inventory of buildings, a consolidation of major agencies' functions where cost-effective, the satisfaction of critical space needs of the U.S. courts, and a continuation of the Administration's Southern Border Station initiative.

In the past few years we have allocated more of our available funding for repair and alterations projects, including significant increases in the funds for both major and minor repair and alteration programs. While the fiscal year 1991 program reflects a continuing emphasis on health and safety and repair and modernization, we are also emphasizing the construction of new facilities to meet agency expansion needs and to avoid the costs of long term leasing.

Including the proposals in the President's recently submitted budget amendment, we are requesting authorization for 19 new construction projects which, as you mentioned, is a more sizable program by far that we have had in many years. These include nine facilities for the U.S. courts. These projects will provide Government ownership of facilities for departments, major agencies and the courts, thereby achieving the cost savings inherent in Government ownership versus leasing.

We look forward to continuing our work with the subcommittee and its staff in the authorization process for the fiscal year 1991 capital improvement and leasing program.

I would like at this time to introduce two of my colleagues. Sitting on my left is Mr. Dale Gottschalk who is Director of Alteration Division, and on my right, Mr. Jerry Hefner who is Director of the Project Development Division.

Mr. Bosco. What has happened now with the EPA? Where do you stand on that?

Mr. Bibb. There are several developments with the EPA. As you are probably aware, in the President's budget amendment there is an item for the direct funding of the EPA project, a $300 million item. Although that amount is not specifically requested in the budget amendment, there is a reference which states that the Office of Management and Budget expects that this $300 million would be provided from the Federal Buildings Fund. In other words, the feeling of the Administration, after analysis of the project, is that rather than going with the lease purchase position, the cost of the project should be absorbed from within the Federal Buildings Fund.

The second development is a recognition and a discussion between Dick Austin, acting Administrator, and EPA that perhaps the time has come for us to recognize that EPA is, in fact, an unwilling tenant of the Southeast Federal Center. As you know, we have been working for a year and a half to two years attempting to sell the Southeast Federal Center as a location for EPA. We still strongly believe that the Southeast Center should be developed. However, it is more likely to proceed with tenants that want to be located there. It is our feeling that to get the Southeast Federal Center moving and to make it available for other potential tenants, we should uncouple the EPA from the Southeast Federal Center location.

Mr. Bosco. So, put more plainly, EPA will now be looking for, a private developer or leased space?

Mr. Bibb. There are several options available to us, and a lot of this is caught up in the discussions that are going on regarding the status of the lease purchase program.

If we are talking about the funding for the project coming from the Federal Buildings Fund, we have a couple of options available to us. We can go to the development community for proposals for a design/build type project with the development community providing that project. Or, we would have the option of actually selecting a site and going through our traditional design and construction process.

That decision in large part, I suspect, will be dependent on what comes out of the appropriations process this fiscal year.

Mr. Bosco. I think we will suspend your testimony for a while and hear from other Members of Congress who have arrived.

Mr. Moakley, we are happy to have any comments you would like to address and welcome you. I understand that Mr. Hoyer was at a leadership meeting. Were you at the same meeting? I was just trying to see if we are under good leadership today.

We are happy to take your testimony.

TESTIMONY OF HON. JOHN J. MOAKLEY, A REPRESENTATIVE IN CONGRESS FROM MASSACHUSETTS

Mr. Moakley. Mr. Chairman and members of the committee, I really appreciate the opportunity to be heard at this time and to request that the subcommittee approve funding that would launch plans to build a new Federal courthouse in downtown Boston.

Mr. Chairman, the existing courthouse in Boston, the John McCormick Building, is 57 years old. Originally the building was designed for use as a general Federal office building with only a small percentage of the space dedicated to the use as a court facility.

At the time of the court's initial occupancy of the McCormick Building there were only two district judges and one court of appeals judge sitting in Boston. The combined workload of the court consisted of one night of appellate filings and 1,300 district court filings. In statistics compiled for the year 1989 the Court of Appeals filings totalled 1,239 cases while the District Court reported 3,737 case filings.

Mr. Chairman, at the present time there are 11 active District Judges, three Senior District Judges sitting in Boston to deal with this growth. The McCormick Building has been renovated many times over the past 55 years, and while these renovations have helped the court to deal with the increased size of its workload, it has become very apparent that a major renovation of the building is now necessary to enable the courts in Boston to function effectively.

The problem with a major renovation project, according to a General Services Administration study, is that a major renovation would cost substantially more than the construction of a new courthouse.

Additionally, the GSA study finds that the McCormick Building does not now meet the basic courthouse security standards, and the proposed multimillion dollar renovation program will not make it secure either.

I am convinced, Mr. Chairman and Members, that the alternative to major renovations would be to construct a new courthouse and to sell the McCormick Building. This McCormick Building is a 22-story office tower which is located within the heart of Boston's financial district which is a very prime real estate area, and it is anticipated that the funds generated from the McCormick Building would then be deposited in the Federal Building Fund to offset the cost of new construction.

In closing, Mr. Chairman, thank you for allowing me to come up at this time and urge the Members of the subcommittee to grant favorable consideration to a very, very worthwhile project.

Mr. Bosco. Thank you very much.

We are looking forward very much to working with you on constructing this new building. As I understand it, we would need legislation to transfer the money from the sale of the McCormick building.

Mr. **Moakley**. I understand that, Mr. Chairman. The courthouse was named after John McCormick who I followed in the Congress, and when he got elected to the Congress I was one. When I was 42 he stepped down, so I want to do something for him now. [Laughter.]

A good way to get good tips.

Mr. Bosco. I assume when we build the new building we keep the same name.

Mr. **Moakley**. Absolutely.

Mr. Bosco. We will have to find another one for you, then.

Mr. **Moakley**. Unless they change, I don't think you should wait until the Member is dead before you put a name on the building.

Mr. Bosco. We have been trying to do that.

Mr. **Moakley**. The voters appreciate it. [Laughter.]

Mr. Bosco. When members ask me if we can name a building after them, I say we have good news and bad news. The good news is that we will name one after you. The bad news is you have to be dead first. [Laughter.]

Are there other Members that have questions on this?

Mr. **Petri**. No, I just wanted to echo the Chairman's tenet that we look forward to working with you. We have had staff up there visiting the existing building, and there is no question that there are serious security and other problems with it that have to be addressed, or a new building built. If the new building seems the most long term responsible way to go, we are eager to work with you to achieve that.

[Mr. Moakley's prepared statement appears on page 46.]

Mr. Bosco. Mr. Hoyer.

TESTIMONY OF HON. STENY H. HOYER, A REPRESENTATIVE IN CONGRESS FROM MARYLAND

Mr. **Hoyer**. Thank you very much, Mr. Chairman, Mr. Petri, and Mr. Geren. I am pleased to be here. I am sorry I am late. We had a very interesting meeting of the Whip's organization.

Mr. Bosco. The results of it will filter out shortly.

Mr. **Hoyer**. I am sure it is going to filter. [Laughter.]

Mr. Bosco. Well, for now let us go on to something a little more simple.

Mr. **Hoyer**. I want to thank you for this opportunity to appear before this subcommittee again in support of the new courthouse for the newly created Southern Division within the Judicial District of Maryland.

As you well know, Mr. Chairman, I appeared before this subcommittee almost a year ago on this subject, and I am pleased to say that it is moving ahead. It is a project in which I have been involved for the last 17 years. I started when I was at Georgetown Law School and working for Senator Daniel Brewster—working on the project of getting a courthouse for southern Maryland. It looks like we will get it done by about 1993, so it took just about 20 years to do it, so those who are interested in projects, be faithful. [Laughter.]

Just stay after it, but I want to thank the Administration, frankly, and the GSA for helping us with this project, and Mr. Chairman, I appreciate your help with that. I have more extensive testimony on the issue which I will submit to you.

I would like, however, to speak a little at length and go over my prepared testimony with reference to the Internal Revenue Service. You are well aware that it needs to be consolidated. I think that you are also well aware that after much discussion, over a three or four year period, we have generally decided that there will be a consolidation and it will be effected in Maryland, and there is no question that IRS requires consolidation.

Currently, it is in over 27 different leased space locations around the region. GSA will make the case on the merits. What I would like to discuss, Mr. Chairman and members of the subcommittee, and request your assistance on, is that the subcommittee bring some rationality to this process of consolidation.

The IRS is now working with GSA on acquiring 177,000 square feet of lease space. After the consolidation, it will be approximately a million, a little less, 930,000 to one million square feet. The IRS and GSA are not working to ensure that this 177,000 square feet is coordinated with the overall consolidation effort.

What I would request is that in approving the IRS consolidation the subcommittee should send a clear signal that it will not consider the 177,000 lease prospectus any longer. Instead, the GSA and IRS should be directed to begin as quickly as possible the plans for the consolidation with the 177,000 requirement being required as the first phase of the consolidation. In other words, to do 20 percent, in effect—177,000, 20 percent of the 930,000—to do it first in a noncoordinated fashion really does not make a lot of sense, and puts, very frankly, the bidders in a very difficult and almost untenable position.

This will help them to perform this process rationally.

Second, the delivery date on the first phase must be a reasonable one. Mr. Chairman, I am sure that you are aware of the current credit squeeze developers feel as a result of confusion over banking regulation and enforcement. It is a problem in my area, and I know it is all over the country. Developers are having difficulty in securing financing without a lease or construction contract in hand. Many of the more attractive sites in my district will require new construction.

In fact, the IRS has already focused on a number of sites that I think will be very attractive—useful from a transportation standpoint, from an aesthetic standpoint, from the quality of life for the employees standpoint. This will be a great opportunity for the IRS. I have discussed this with Mr. Goldberg. He is enthusiastic about it. I have discussed it with GSA, Mr. Austin. They are enthusiastic about it.

The space will be built, obviously, to specifications, but the builders must be given ample time to construct the space which should be determined from the point of selection once the developer selection is made.

Mr. Chairman, I appreciate the courtesy the subcommittee has always shown to me and to my district, and I look forward to working with you on this overall space proposal in the days ahead. Frankly, I think we have an opportunity working together to do a really quality consolidation for the Internal Revenue Service, one that is badly needed from their standpoint which will effect a significant savings to the taxpayers of the country going from these 27 leased locations, which are more expensive and more inefficient, to a consolidated space which I think will work out very well, but we ought to do it in maximizing the efficiency with which that consolidation is being effected.

I will certainly be looking forward to working with you.

Mr. Bosco. Thank you, Mr. Hoyer.

Mr. HOYER. We have the Prime Minister of Lithuania appearing before the Helsinki Commission in 10 minutes. I have to run over there.

Mr. Bosco. Thank you, that is fine with me.

Are there any other questions?

Mr. PETRI. This may not be the time if it takes too long, but you wanted us to send a signal or help the GSA make the IRS do a better job of coordinating its consolidation. Now, I did not quite understand——

Mr. HOYER. There is a prospectus pending before you for the 177,000. I think the IRS and the GSA both perceive that to be an initial phase. They will testify to that, but the way it is being done, it is not being advertised as being 177,000 of the 930,000. Now obviously, if you are bidding 177,000, which is a first phase on an ultimate 930,000, your developer, leaser or builder, or whatever configuration, is going to figure it differently than if you have 177,000. You accept bids for that as a unit. That may or may not be a unit that then can be—you can add your 700,000 additional or 800,000 additional square feet, so what I am saying is that I think we ought to put that prospectus aside. What we ought to do is have a new prospectus which is a 930,000 prospectus, of which 177,000 is the first phase component. That is what I am saying.

Now, GSA will speak to that, I am sure. We have been very friendly working together, and I want to say to GSA that they could not be any more cooperative, and to IRS that they couldn't be any more cooperative, so it is not a question of forcing anyone. It is a question of doing it from your perspective, so they have direction and can, in effect in dealing with everyone else that they have to deal with, say this is what the committee wants us to do.

Mr. Bosco. Well, we will let you get on your way. I am sure we can work this out. I would not try to force either GSA or certainly not IRS. [Laughter.]

Mr. HOYER. We have had a very friendly debate with IRS and with the Administration. I am so glad we have resolved where we are going. Certainly no one is forcing anyone to do anything per se.

Mr. Bosco. I am sure we can work this out.

Mr. HOYER. Thank you, Mr. Chairman.

Mr. Bosco. Thank you.

[Mr. Hoyer's prepared statement appears on page 44.]

Mr. Bosco. All right, now. Let us go ahead then and resume our discussion, Mr. Bibb and Mr. Hefner and Mr. Gottschalk.

All right, we left off with the EPA not going to the Southeast Federal Center. Will we be working on finding them a location elsewhere? I think we stand the possibility of significant national attention if we go on much longer in a situation whereby the country's premier environmental agency's employees are choking practically each day in their work place. I hope that everyone recognizes the urgency of getting this issue resolved. I think a major part of it is resolved in that they are not going to be dragged kicking and screaming down to the Federal Center. Let's hope we can do the next half of it and find a place for them.

Mr. Bibb. Mr. Chairman, certainly if there is one thing that we all have agreed on, it is to go ahead and replace the facilities that we now have as quickly as we can.

Mr. Bosco. Okay. I want to address the Navy building out in Northern Virginia. I spoke with someone who apparently has offered to donate the land for that building. Apparently you anticipate spending $140 million plus on buying a site. This particular developer has said he will donate that amount provided he is able to build the building. Is this something that is possible? Sounds like a pretty good deal.

Mr. Bibb. I want to put everything in this context: we have been to the market in consonance with direction contained in the fiscal year 1989 appropriations Act to test the market to actually secure proposals and report back to the Congress. Everything I will discuss is in the context of procurement sensitive information. I can't tell you everything about the situation. Let me simply say that should there be a donation or a proposed donation, we would much prefer to consider it in the context of the total proposal that we receive. In other words, if a developer can bring a donated site to the proposal, his offer should reflect that.

We would also, at the same time, like to hear from the other developers. They may want to include that sort of situation within their proposal. So we would like to see what they would put on the table. If that includes free land, that is fine. All of that would ultimately be rolled up in the price, the bottom line price that they would deliver. We would like to consider it in that context, in consideration of the impact that each location may have on transportation networks, in the context of the environmental impact studies that we have underway. We much prefer to entertain any kind of free land, if it is in fact unconstrained free land, as part of a total offer.

Mr. Bosco. In that this would be an extraordinary type of offer, I agree with you that everyone should be able to offer the same, if they want, but how would you go about seeing that people knew that they could do that?

Mr. Bibb. I think it would be to the advantage of any developer to come up with the best bottom line price that he can. If that includes making a donation of the land as part of the offer, I would certainly think it would be evident as part of their considerations, as they put together their proposal.

Mr. Bosco. Under the current bidding, would they be able to do that?

Mr. Bibb. Yes, as part of their offer, they could do that.

Mr. Bosco. So nothing is stopping this particular developer from doing that?

Mr. **Bibb**. I don't think so. What we don't want to do is to get into a situation that was alluded to, to say that by accepting the donation, whatever the source, that we say, "You are the developer." I think if we have to couple the opportunity to develop with site donation, and in effect, go on a sole source basis, that that does not serve the public, taxpayers' or the Government's interest.

Mr. Bosco. Well, I was under the impression that this developer isn't anxious just to make a charitable gift to the Government. I mean, I think it would be implicit in the whole concept that the land would be donated as a part of that developer developing the site. I am not pushing for this, or against it, but it seemed to me a rather unusual proposal.

Mr. **Bibb**. I think we are on the same track on that. We would like to consider it in the context of total development proposals from a number of sources.

Mr. Bosco. You would consider it, though, as that person wanting to develop the site, if they donate the land?

Mr. **Bibb**. I think so. I believe so.

Mr. Bosco. And there is a structure that you can do that under?

Mr. **Bibb**. The Administrator is authorized to accept the donation of sites, yes. That structure does exist.

Mr. Bosco. As a quid-pro-quo for developing the land?

Mr. **Bibb**. As part of a package, I would say.

Mr. Bosco. That is fine.

On the Southeast Federal Center, how are you going to move ahead with that? Do you have a development plan?

Mr. **Bibb**. Mr. Chairman, yes, we do, there is a brochure which outlines our development plan for the entire Southeast Federal Center.

We had hoped to move, as you know, with the EPA project and construct certain infrastructure improvements at the Southeast Federal Center that would be available to all future tenants in conjunction with the EPA Project. We are back to looking now, perhaps, at a separate infrastructure proposal that we would present to you as early as the 1992 budget. We would be considering that for the 1992 budget.

We would like to develop the center as an entirety. We are talking about probably 3 to 4 million square feet in toto. As you know, we lease some 33 million square feet in the National Capital Region. There is no shortage of potential tenants. We would like to develop it as a whole, including the infrastructure cost to do that. We will have to proceed on a year-by-year budget basis, maybe have some kind of umbrella development plan, which we already have with incremental funding, perhaps starting with the infrastructure.

As you know, we still have the GSA building in the fiscal year 1991 President's amendment coupled with the infrastructure work we could get the development started as we work toward total development of the property.

Mr. Bosco. Mr. Petri.

Mr. **Petri**. I can't help but think as you read about the cries of alarm from different areas of the country that got overbuilt and even the local banking communities thinking that there is a huge backlog of commercial space, and evidently more is being constructed every day, that they are not quite sure we will immediately find a tenant. We might want to be a little slower rather than a little faster about adding to the inventory even though it is Government. It clearly does impact the whole market. Otherwise, we may end up rescuing a few more people and paying for it twice.

Mr. **Bibb**. There certainly are some markets that are soft right now. Continuing to lease there makes sense. We have learned that the Washington-area market, particularly central Washington, is continuing to be extremely healthy, in fact pushing us toward rates that are $40-plus per square foot per year. When you have a situation like that, we believe that it is prudent to plan a program and execute it as soon as it can be done in an effort to move toward ownership.

Right now, we are about 50-50 between owned and leased space in the Washington area. In view of those rental rates and the strength of the market here, we think there are certainly opportunities—selective—but opportunities to convert to ownership that should be pursued.

Mr. **Petri**. Is it too late to give any consideration at all to putting the new Environmental Protection Agency headquarters where the International Cultural and Trade Center is supposed to be? If they want a nice, prestigious place on the Mall that is consistent with the other buildings, we don't have to get into the business of trying to operate sort of a private, commercial enterprise in a Government space.

Mr. **Bibb**. I can only say, on that housing plan, we are oversubscribed right now. Other agencies should come out of the same kind of expensive downtown Washington space, so I think our preference would be to proceed with the housing plan we have at the moment.

Mr. Bosco. That space may be too expensive, though, for anyone to go into. [Laughter.]

Mr. **Petri**. Yes, putting it at the Center may be cheaper.

I have one or two questions on the National Building Museum that was discussed earlier. Would it be appropriate to ask those now?

Mr. Bosco. Yes, go ahead.

Mr. **Petri**. Do you agree with the testimony of Representative Clinger, that the additional work that is being requested would not require a further authorization?

Mr. **Bibb**. Yes, sir, we do agree with that.

But I would like to go on the record with our position regarding the total funding. We have been talking about approximately $6 million needed for the work that was outlined earlier. GSA believes that about $1.45 million of that is a responsibility that can be borne by GSA. That includes the landscaping that was mentioned, and some special gallery air conditioning. We could use program funding to do that within our minor repair and alteration program in the future with no need for authorization there. The funding above that, about $4.5 million, we would certainly support as an appropriation into the Federal Buildings Fund. However, we do not believe that the expenditure of those funds from within the Federal Buildings Fund resources is appropriate.

Mr. PETRI. Could you outline your construction timetable, or what you expect?

Mr. BIBB. We could begin to do some of the work in the fiscal year 1991. We can furnish for the record a precise timetable, but certainly we would have some funds available commencing in 1991.

Mr. PETRI. There are certain questions on the Navy consolidation in Northern Virginia. Are you, as an administrator, cognizant of the changes that seem to be occurring in the international climate and the implications for that in terms of contracting the military? If we continue along with this for several years, it's like the dinosaur's tail, or whatever, or the hind legs running when the head has been chopped off. [Laughter.]

Most people think that we will have a far different military in three or four years if current trends continue. We are all trying to adjust psychologically to that. Are you convinced that this is the time to continue going forward with projects without taking into account the fact that a hold has been put on by the Secretary of Defense on almost all new construction, and that there is going to be a general re-thinking from the ground up in terms of what we really need to defend the country adequately in the changed environment?

Mr. BIBB. We believe that we should continue, primarily because of the extremely large presence of the Navy in Crystal City, where rental rates have escalated as they have in other parts of the Washington area. We have done two things to try to anticipate exactly what you are talking about.

One, the project would be scheduled for phased delivery, so that over a period of time we could make adjustments in the occupancy. If need be, we could substitute other tenants. A second factor we have taken into consideration is for the final increment of expansion to be an option for delivery, which we, in fact, would not have to exercise. So we believe we have done a couple of things to anticipate a potential reduction in Navy requirements and to accommodate that. We would like to go ahead and replace that costly leased space, because we do believe that there will be a major presence remaining regardless of whether it is plus or minus a certain percentage in size on the part of the Navy.

Mr. Bosco. If you would yield, Mr. Petri.

I was going to suggest that perhaps that the President in his next summit with Mr. Gorbachev, bargain down office space as well as different weapons. I think that would result in a hard savings right away for the taxpayer. [Laughter.]

Mr. PETRI. One of my colleagues commented that he always used to put in saying that there could not be more employees in the Agriculture Department than there were working farmers in the country.

Mr. Bosco. But its starting getting close with the BIA, too. I think there are five BIA employees for every Indian in the country.

Mr. PETRI. Certainly full-blooded Indians. [Laughter.]

Mr. Bosco. I do think we should start bargaining on these real practical type of things. [Laughter.]

Mr. PETRI. I'm sorry for the interruption. I do have one or two other things.

Could you respond to a concern a number of our colleagues have had about relative costs of locating these expansions in the Washington area, as opposed to other areas of the country? I know a lot of other defense operations are done outside the Washington area. There are arguments in favor of dispersal. I think a lot of the personnel would prefer, in fact, not to live in the Washington area because of the higher costs of this community. Would you just respond as to why you are expanding here rather than elsewhere?

Mr. BIBB. Yes, I can address the general issue of agencies in the Washington Metropolitan area. Also in the room today is Mr. John Simeon, who is Director of Facilities in the Office of the Assistant Secretary of the Navy, who can address the specifics of the Navy, why here versus other locations, if you would like for him to do that. Would you like him to do that?

Mr. PETRI. Briefly, would be fine.

There are traffic concerns and there are tax concerns local officials have expressed about the facility. I know that the traffic problem was one that did somewhat tend to retard the second Pentagon proposal. This is sort of a half of a second Pentagon that you are talking about that has come back in a little different packaging.

Mr. BIBB. As far as traffic and transportation, we obviously are sensitive to that. As matter of being a good citizen in the community, as we did in the Pentagon annex and other projects, through our environmental impact process and public hearings that go along with that, we certainly want to hear what everybody has to say on the issues and develop a quality development that will fit in with transportation schemes. As part of that, if mitigating measures are needed, the National Environmental Policy Act would require us to do that. In addition to being required, we desire to take actions which would mitigate any impact we might have on the traffic and transportation network. That is dependent upon where we ultimately place the building. I'll stop there and let Mr. Simeon address concerns about the Navy's northern Virginia locational needs at this time.

TESTIMONY OF JOHN SIMEON, DIRECTOR OF FACILITIES, OFFICE OF THE ASSISTANT SECRETARY OF THE NAVY

Mr. SIMEON. Thank you for the opportunity to speak today.

I'd like to say that the basis for the location stems from the way we operate. The Navy components that make up this requirement are essentially the Headquarters elements of the Navy. Their job is to develop and acquire the major weapon systems we employ. The way they go about doing their business, it is vitally important, in fact critical, to be in constant contact with the Navy elements we have in the Pentagon. In fact, there are numerous daily meetings that go on between the various people we have in this particular requirement and the people in the Pentagon. From a functional standpoint, we see proximity to the Pentagon as being an overriding factor.

Mr. PETRI. Thank you.

Mr. Bosco. Mr. Geren.

Mr. **Geren**. I have no questions, Mr. Chairman.

I would like to say that I want to disassociate myself with Mr. Petri's reference to the GSA as being the posterior of a dinosaur. [Laughter.]

Mr. **Petri**. I wasn't talking about the GSA or any other large organization.

Mr. Bosco. There are a number of projects in the President's budget amendment for 1991 for which the prospectuses are held up at OMB. Among those are the DOT Headquarters, the GSA Headquarters, FBI field office, the Shreveport, Louisiana Courthouse. What is the status of all this? Are we going to get those prospectuses back?

Mr. **Bibb**. I expect that you will receive the majority of those. OMB, at the technical level as you have indicated, still does have prospectuses under review. I can't predict when they will release them at this point. By their inclusion in the President's budget amendment, I would assume that you will be receiving authorizing documents, but a time schedule I can't give you today.

Mr. Bosco. What is the legal status of these prospectuses in your viewpoint? Are they just sort of a pro forma exercise that we go through?

Mr. **Bibb**. Well, there are a couple of points as to the legal status. One, when you read the Public Buildings Act, we are required by the act to submit a proposal to you for any action that we recommend, in the form of a prospectus. Second, and perhaps more importantly, is the part of the act which says no appropriation shall be made unless you have authorized a project. I don't pretend to be a legal counsel, but that appears to be a rule or a law of the Congress applying to another part of the Congress. How you choose to deal with the authorization process I would think would be your choice.

For years, probably the last eight years or so, the Senate Committee on Environment and Public Works has not approved individual prospectuses, but has in several cases reported out an authorization bill which served as authorization of the project, and on at least one occasion, did not report out a bill or authorize prospectuses at all. This year they have gotten back into the prospectus authorization business. My feeling is that although we are clearly required by the law to submit them, how you authorize is a prerogative of the Congress.

Mr. Bosco. Okay. Are you required to submit these prospectuses to OMB under the law, or is this just a custom you've developed?

Mr. **Bibb**. Not under the law. It is not a legal requirement, but we certainly have had it made clear to us by OMB that they want to take a look at them as the Administration's position before they are forwarded to you.

Mr. Bosco. So although the law requires that you directly submit a prospectus to us, it does not speak to who else might have to approve that?

Mr. **Bibb**. The law does not. There are OMB circulars that do.

Mr. Bosco. We will get those prospectuses as part of the authorizing legislation?

Mr. **Bibb**. I expect so. If there is a bottom line OMB objection, ultimately, within the next month or so, we will let you know. We will let you know if a prospectus is, in fact, not coming.

Mr. Bosco. Do you or the Administration intend to support or entertain any other projects than the ones that you have presented to us here?

Mr. **Bibb**. For this fiscal year there could be an amended prospectus or two later on. There are additional lease prospectuses at OMB, perhaps a total of twenty, the majority of which are leases, some 11(b) reports, beyond the 21 projects which were the subject of the OMB/GSA study, the bulk of the funds of which are contained in the President's budget amendment. I know our acting Administrator, Dick Austin, has testified on a couple of occasions, that looking into the future, yes, there are probably additional Federal construction needs. We in fact are now going through our fiscal year 1992 cycle through our Planning and Projects Review Board, and additional projects have been identified. Yes, we would anticipate there will be further needs as time goes by.

Mr. Bosco. Thank you.

Were there any other questions?

[No response.]

Mr. Bosco. Thank you all, gentlemen, for testifying.

[Mr. Bibb's prepared statement appears on page 27.]

Mr. Bosco. Well, we have no further business this morning. Next week I think we are going to be discussing the Pentagon. That should be interesting. We call the meeting to a conclusion.

[Whereupon, at 11:02 a.m., the subcommittee was adjourned, to reconvene at the call of the Chair.]

PREPARED STATEMENTS OF WITNESSES

STATEMENT OF

DAVID L. BIBB

ASSISTANT COMMISSIONER

OFFICE OF FACILITY PLANNING

GENERAL SERVICES ADMINISTRATION

BEFORE THE

HOUSE COMMITTEE ON PUBLIC WORKS

AND TRANSPORTATION

SUBCOMMITTEE ON PUBLIC BUILDINGS

AND GROUNDS

THURSDAY, MAY 3, 1990

MR. CHAIRMAN, MEMBERS OF THE SUBCOMMITTEE, IT IS MY PLEASURE TO APPEAR BEFORE YOU TODAY TO DISCUSS CAPITAL IMPROVEMENT AND LEASING PROSPECTUSES IN THE GENERAL SERVICES ADMINISTRATION'S FISCAL YEAR 1991 PROGRAM.

OUR PROSPECTUS PROGRAM REFLECTS THE CONTINUATION OF GSA'S COMMITMENT TO THE EFFICIENT AND COST EFFECTIVE MANAGEMENT OF FEDERAL FACILITIES. THIS COMMITMENT STRESSES THE PROVISION OF A SAFE AND HEALTHFUL WORK ENVIRONMENT, A QUALITY WORKSPACE AT REDUCED UTILIZATION RATES, A MODERNIZED INVENTORY OF BUILDINGS, A CONSOLIDATION OF MAJOR AGENCIES' FUNCTIONS WHERE COST-EFFECTIVE, THE SATISFACTION OF CRITICAL SPACE NEEDS OF THE U.S. COURTS, AND A CONTINUATION OF THE ADMINISTRATION'S SOUTHERN BORDER STATION INITIATIVE.

IN THE LAST FEW YEARS, WE HAVE ALLOCATED MORE OF OUR AVAILABLE FUNDING FOR REPAIR AND ALTERATION PROJECTS, INCLUDING SIGNIFICANT INCREASES IN THE FUNDS FOR BOTH MAJOR AND MINOR AND REPAIR AND ALTERATION PROGRAMS. WHILE THE FISCAL YEAR 1991 PROGRAM REFLECTS A CONTINUING EMPHASIS ON HEALTH AND SAFETY AND REPAIR AND MODERNIZATION, WE ARE ALSO EMPHASIZING THE CONSTRUCTION OF NEW FACILITIES TO MEET AGENCY EXPANSION NEEDS AND TO AVOID THE COSTS OF LONG-TERM LEASING.

INCLUDING THE PROPOSALS IN THE PRESIDENT'S RECENTLY SUBMITTED BUDGET AMENDMENT, WE ARE REQUESTING AUTHORIZATION FOR 18 NEW CONSTRUCTION PROJECTS INCLUDING 9 FACILITIES FOR THE U.S. COURTS. THESE PROJECTS WILL PROVIDE GOVERNMENT OWNERSHIP OF FACILITIES FOR DEPARTMENTS, MAJOR AGENCIES, AND THE COURTS, THEREBY ACHIEVING THE COST SAVINGS INHERENT IN GOVERNMENT OWNERSHIP VERSUS LEASING.

WE LOOK FORWARD TO CONTINUING OUR WORK WITH THE SUBCOMMITTEE AND ITS STAFF IN THE AUTHORIZATION PROCESS FOR THE FISCAL YEAR 1991 CAPITAL IMPROVEMENT AND LEASING PROGRAM.

Statement of Hon. William F. Clinger, Jr.

Subcommittee on Public Buildings and Grounds

May 3, 1990

National Building Museum

Mr. Chairman and Members of the Subcommittee, thank you for this opportunity to discuss the issue of the completion of the Pension Building here in Washington for use by the National Building Museum.

Twelve years ago, this Committee was responsible for legislation which was enacted to initiate preliminary studies for the restoration of the Pension Building in order to house a Museum of the Building Arts. Two years later, as part of the National Historic Preservation Act Amendments of 1980, a National Building Museum was created in order to provide a national center to commemorate and encourage the building arts and to do so in a nationally significant building--the Pension Building. The Administrator of General Services was authorized and directed to immediately commence with renovation of the site.

Over the years, $24 million has been appropriated to meet this mandate. Completed work includes roof replacement; exterior cleaning and repair; restoration of the Great Hall and other interior spaces; mechanical, electrical, security and fire safety improvements; and museum space development.

An additional $5.9 million for the National Building Museum would complete the site and exterior improvements which have not been funded previously and complete additional museum improvements and other unique needs which were not included in the initial renovation. These items are simply a continuation of the previous authorization and direction given in the Act which created the Museum and under which the previous $24 million has been appropriated over the past several years.

Mr. Chairman, I have been a long-time supporter of the National Building Museum and am pleased to see that it's stature and reputation continues to grow. It's education programs serve people of all ages, from kindergarten students to professional architects and engineers. The permanent, temporary, and visiting exhibitions inform visitors of the history and future of our great building tradition.

Again, thank you for the opportunity to express my support for the completion of the renovation of the Pension Building so that it can continue to serve it's Congressionally-mandated purpose as home to our National Building Museum.

Statement of Hon. William E. Dannemeyer

11(b) STUDY FOR H.R. 3163

MR. CHAIRMAN AND DISTINGUISHED MEMBERS OF THE SUBCOMMITTEE, THANK YOU FOR HOLDING THIS HEARING ON MY 11(b) REQUEST. THE AUTHORIZATION OF AN 11(b) STUDY CONDUCTED BY GSA IS A CRUCIAL STEP IN ASSESSING THE CURRENT NEEDS OF ORANGE, RIVERSIDE AND SAN BERNARDINO COUNTIES IN SOUTHERN CALIFORNIA. I WOULD LIKE TO REQUEST THAT GSA CONDUCT STUDIES IN THE TRI-COUNTY AREA INVOLVING TRAFFIC PATTERNS, POPULATION TRENDS, AND THE AVAILABILTY OF LAND FOR PURCHASE OR RENTAL SPACE WHICH WOULD INFLUENCE THE CONVENIENCE AND ACCESSIBILITY OF A FUTURE COURT SITE.

THE TRI-COUNTY AREA HAS UNDERGONE PHENOMINAL CHANGES OVER THE LAST TEN YEARS. THE MOST OBVIOUS EVIDENCE OF THESE CHANGES IS THE GROWTH IN POPULATION. THE TRI-COUNTY AREA HAS GROWN FROM 3.5 MILLION IN 1980 TO 4.5 MILLION IN 1989, WITH SAN BERNARDINO AND RIVERSIDE COUNTIES INCREASING AT 45% AND 49%, RESPECTIVELY. THESE TWO COUNTIES HAVE THE LARGEST GROWTH IN CALIFORNIA, A STATE WHICH ITSELF IS INCREASING AT THE HIGHEST RATE NATIONWIDE. IN FACT, CALIFORNIA'S POPULATION INCREASED BY 4.6 MILLION BETWEEN 1980 AND 1988. APPROXIMATELY ONE-FOURTH OF THAT INCREASE OCCURRED IN THE TRI-COUNTY AREA.

1 MILLION NEW RESIDENTS REQUIRE ADDITIONAL SERVICES, FROM THE COMMUNITY AND THE GOVERNMENT. THE COMMUNITY CAN FURNISH SUCH THINGS AS GROCERY STORES, MOVIE THEATERS AND BUILDERS OF HOMES. ONLY THE FEDERAL GOVERNMENT

IS EMPOWERED BY THE CONSTITUTION TO PROVIDE CITIZENS WITH ACCESS TO FEDERAL DISTRICT COURT. BUT WHEN A RESIDENT NEEDS TO GO TO FEDERAL COURT - TO LITIGATE OR BE A WITNESS, OR TO FULFILL HIS CIVIC DUTY AS A JUROR - THAT TRI-COUNTY RESIDENT MUST ALMOST ALWAYS TRAVEL TO LOS ANGELES. THIS MEANS TRAVELING DISTANCES UP TO 260 MILES ONE WAY, LONGER THAN THE TRIP FROM WASHINGTON, D.C. TO NEW YORK. THE RESIDENTS OF THE DISTRICT OF COLUMBIA WOULD FIND THIS ABSOLUTELY INTOLERABLE, AND SO DO I.

THOSE DISTANCES, COMBINED WITH THE KIND OF TRAFFIC SOUTHERN CALIFORNIA IS FAMOUS FOR, MAKE PARICIPATION IN THE FEDERAL COURTS BURDENSOME AND TIME-CONSUMING. ALL THESE NEW RESIDENTS TRAVELLING TO AND FROM LOS ANGELES ADD TO THE CONGESTION PREVALENT ON OUR HIGHWAYS. ALTHOUGH SOUTHERN CALIFORNIA'S GRIDLOCKED HIGHWAYS ARE NOT UNIQUE, OUR LACK OF ADEQUATE PUBLIC TRANSPORTATION IS. MILLIONS OF PEOPLE **DRIVE** EVERYWHERE. IN FACT, A STUDY CONDUCTED BY THE ROAD INFORMATION PROGRAM , A NON-PROFIT GROUP WHICH RESEARCHES NATIONAL AND REGIONAL HIGHWAY TRANSPORTATION ISSUES, CONCLUDED THAT CALIFORNIA EXPERIENCED A 55% INCREASE IN CAR TRAVEL BETWEEN 1980 AND 1988 AND THAT IT WILL INCREASE ANOTHER 33%, TWICE THE GROWTH OF THE POPULATION, IN THE NEXT TEN YEARS. ACTUAL MILES OF HIGHWAYS HAVE ONLY EXPANDED BY 2% SINCE 1980.

11 YEARS AGO, THE ADMINISTRATIVE OFFICE OF THE UNITED STATES COURTS COMPLETED A STUDY ON THE TRI-COUNTY AREA WHICH FOUND NO COMPELLING EVIDENCE OF A NEED TO CREATE A SEPARATE JUDICIAL DISTRICT FOR THE TRI-COUNTY AREA. THEY DID CONCLUDE, HOWEVER, THERE WAS SUBSTANTIAL EVIDENCE THAT THE LOS

ANGELES LOCATION FOR HOLDING COURT IN THE CENTRAL DISTRICT IS INCONVENIENT FOR A SUBSTANTIAL PORTION OF THE POPULATION IN THAT AREA. THE REPORT ALSO DETERMINED THAT THE LACK OF PUBLIC TRANSPORTATION THROUGHOUT THE AREA CREATES INACCESSIBILITY TO THE COURT FOR MANY OF ITS RESIDENTS. THESE CONCLUSIONS, MADE 11 YEARS AGO, SEEM COMPELLING ENOUGH TO ME TO HAVE FORMED A SEPARATE DISTRICT WAY BACK THEN. TODAY THE EVIDENCE TO CREATE A NEW DISTICT COURT IN SOUTHERN CALIFORNIA IS STAGGERING.

I LOOK AT THE CASELOAD CARRIED BY THE CENTRAL DISTRICT:

FIRST NATIONWIDE IN U.S. CIVIL CASES COMMENCED AND SECOND IN OVERALL CIVIL CASES COMMENCED.

FIRST IN U.S CIVIL CASES PENDING AND SECOND IN OVERALL CIVIL CASES PENDING.

FIRST IN U.S. CIVIL CASES TERMINATED AND SECOND IN OVERALL CIVIL CASES TERMINATED.

I LOOK AT ALL THE INFORMATION I HAVE PRESENTED TO YOU TODAY. I LOOK AT THE CURRENT STATUS OF THE TRI-COUNTY AREA AND THE NEED TO MAKE AN ASSESSMENT FOR THE FUTURE OF THE FEDERAL COURT SYSTEM THERE. I LOOK AT ALL OF THESE THINGS AND CONCLUDE THAT THE FORMATION OF A SEPARATE DISTRICT COURT FOR THE TRI-COUNTY AREA IS IMPERATIVE AND URGENT. AN 11(b) STUDY CONDUCTED BY THE

GSA WILL PROVIDE VALUABLE INFORMATION FOR THE TRI-COUNTY AREA AND WILL FURTHER THIS PURSUIT.

ONLY THE GOVERNMENT CAN FURNISH BETTER ACCESS TO THE FEDERAL COURTS AND WHAT I AM ASKING YOU TO DO TODAY IS A CRUCIAL STEP IN THAT ULTIMATE GOAL. THANK YOU.

Statement by Robert W. Duemling
President and Director, National Building Museum
Before the Committee on Public Works and Transportation
Subcommittee on Public Buildings and Grounds

Thursday May 3, 1990

Mr. Chairman:

I am Robert W. Duemling, President and Director of the National Building Museum. Thank you for giving me this opportunity to appear before the Subcommittee to support the proposal for an appropriation to complete the restoration and renovation of the Pension Building.

In December 1980, by Public Law 96-515, the Congress mandated the establishment of a National Building Museum to celebrate American achievements in building and to encourage excellence in the building arts. The sponsors of this legislation envisioned a partnership between the museum--a private nonprofit 501(c)(3) institution--and the Government, specifically the Department of the Interior and the General Services Administration. The legislation provided that the museum would be housed in the historic landmark Pension Building, which would be restored and renovated for this purpose.

Since 1981, the Congress has appropriated funds, administered by GSA, to restore this magnificent structure--which contains the largest single, enclosed space in Washington and the largest Corinthian columns in the world--to its original architectural quality and distinction. These achievements made it possible for the National Building Museum to open its doors to the public in October 1985, even as the lengthy and complex task of restoration and renovation proceeded. It was no easy matter to retrofit a century-old building for the purposes of a contemporary museum. The major part of the job was concluded early this year.

The National Building Museum is now seeking the additional funds necessary to complete the renovation and restoration program as originally intended. We firmly believe that this additional funding will be the final occasion in which the museum will seek Congressional funding at any time in the foreseeable future.

There are essentially two reasons why this additional funding is needed. First, budgetary limitations prompted deletion of major sections of the original program, most notably the landscaping. As a result, one of Washington's most spectacular buildings stands in a most unspectacular setting. The proposed landscaping program will restore some of the original pathways and greenery, revamp the south side of the site to reunite the building with Judiciary Square, and rationalize loading and parking facilities. The intent is to restore the Pension Building to its original pre-eminence as a public space, particularly as the surrounding areas of the East End become more built up and densely populated.

Second, the museum's programs grew more rapidly than expected, necessitating expansion of programming space onto the second floor. Although both first and second floors have been allocated to NBM, several areas require adaptations to make them suitable for exhibitions and other museum purposes, in order to fulfill NBM's Congressional mandate. In addition, the initial renovation did not fully anticipate some of the unique needs of this multi-purpose facility, and after several months of operation, shortcomings have become apparent.

The cost estimate for additional renovations to the National Building Museum is $5.05 million. The figures include the construction price as base with 8 percent contingency, 20 percent administration, 12 percent design.

For budget purposes the estimate should be escalated by 5 percent per year to the midpoint of any planned construction. Assuming that point will be two years hence, the cost estimate of $5.45 million should be increased to $5.99 million.

Mr. Chairman, this proposal has been discussed in great detail with the General Services Administration which also produced the estimated cost figures for the project. I would like to note for the record that GSA and the museum have established an excellent working relationship, and that this public-private partnership is flourishing.

This is not the occasion to discuss the work of the museum, but I would like to assure the Congress that its vision in 1980 has been solidly validated by the achievements of the past decade. We have offered the public thirty-three exhibitions, ranging widely over all aspects of the built environment. Our publications and especially educational programs have brought concern for the built environment to hundreds of thousands of people, including school children.

In short, Mr. Chairman, I ask that the Congress reconfirm its commitment to this unique institution--the only one of its kind in the world--~~and authorize~~ and appropriate the funds necessary to assure its completion and continuing success. Thank you.

SUBCOMMITTEE
ON
PUBLIC BUILDINGS & GROUNDS

TESTIMONY BY

REP. JOHN J. DUNCAN, JR.
OF
TENNESSEE

MR. CHAIRMAN, AS YOU WELL KNOW, IN FEBRUARY OF THIS YEAR THE GENERAL SERVICES ADMINISTRATION (GSA) SUBMITTED IN ITS FISCAL 1991 CAPITAL IMPROVEMENT PROGRAM A REQUEST FOR $564,000 FOR DESIGN OF A REPAIR AND ALTERATION PROJECT FOR THE EXISTING POST OFFICE-COURTHOUSE, LOCATED IN KNOXVILLE, WHICH IS IN MY CONGRESSIONAL DISTRICT.

HOWEVER, DUE TO INCREASED SPACE REQUIREMENTS SUBMITTED BY THE ADMINISTRATIVE OFFICE OF THE UNITED STATES COURTS, GSA HAS DETERMINED THAT THE POST OFFICE-COURTHOUSE RENOVATION PROJECT IS NO LONGER FEASIBLE AND HAS WITHDRAWN ITS PLAN.

MR. CHAIRMAN, THE U.S. POST OFFICE-COURTHOUSE IN KNOXVILLE, WHICH IS OWNED AND OCCUPIED BY THE POSTAL SERVICE, ALSO HOUSES THE JUDICIARY, GSA, CONGRESSIONAL OFFICES (INCLUDING MY OFFICE), THE DEPARTMENT OF TREASURY, AND THE DEPARTMENT OF JUSTICE.

THE ADDITIONAL JUDICIARY AND OTHER COURT-RELATED ACTIVITIES ARE HOUSED IN THREE DIFFERENT LOCATIONS ALL AROUND KNOXVILLE. ONE DISTRICT COURTROOM IS IN THE COURT SQUARE BUILDING, THERE IS A BANKRUPTCY COURTROOM IN THE PLAZA TOWER BUILDING, AND A PROBATION OFFICE IS IN THE FIRST TENNESSEE BANK BUILDING.

AS A FORMER CRIMINAL COURT JUDGE IN KNOXVILLE, I CAN TELL YOU THAT THIS SITUATION CREATES PLENTY OF UNTOLD CONFUSION.

THE IMMEDIATE NEED OF THE COURTS IS FOR AN ADDITIONAL 4 COURTROOMS AND AN ADDITIONAL 3 MORE COURTROOMS WILL BE REQUIRED OVER THE NEXT TEN YEARS. THE CURRENT POST OFFICE-COURTHOUSE BUILDING, WHICH WAS BUILT IN 1934, JUST CANNOT PROVIDE THE ADEQUATE SPACE NEEDED TO CONSOLIDATE THE COURTS.

MR. CHAIRMAN, WHEN WE MEET LATER THIS MONTH, I WILL REQUEST THAT WE APPROVE AUTHORIZATION FOR THE CONSTRUCTION OF A NEW COURTHOUSE BUILDING. THE ESTIMATED CONSTRUCTION COST IS $33.1 MILLION, SITE ACQUISITION AND DESIGN IS ESTIMATED AT $4.6 MILLION. THESE FIGURES ARE BASED UPON GSA's REGIONAL OFFICE PROPOSAL FOR THE CONSTRUCTION OF A 147,576 SQUARE FOOT COURTHOUSE.

THE CONSTRUCTION OF A NEW COURTHOUSE IN KNOXVILLE IS SUPPORTED BY THE COMMUNITY, THE ADMINISTRATIVE OFFICE OF THE UNITED STATES COURTS, AND THE GENERAL SERVICES ADMINISTRATION.

I LOOK FORWARD TO WORKING WITH ALL THOSE INVOLVED IN ORDER TO GET THIS BADLY NEEDED PROJECT MOVING FORWARD.

THANK YOU MR. CHAIRMAN.

Statement of Hon. Steny Hoyer

Mr. Chairman, I want to thank you for this opportunity to appear before this subcommittee again in support of a new courthouse for the newly created southern division within the judicial district of Maryland. Last May I was here in support of the site acquisition and design. I am back to request your help in building the courthouse.

Two years ago, the Congress adopted Public Law 100-487, which created the new division for Montgomery, Prince Georges, Calvert, Charles and St. Mary's Counties.

I would like the subcommittee to know that the creation of this new division was not easy. I began work on this subject over 17 years ago, and am looking foward to the completion of a task which has been aided by many hands.

Today, in the State of Maryland, we do not have a situation where all our citizens have equal and convenient access to Federal courts. Before last year, Maryland was the only State within the Fourth Judicial Circuit without either multiple divisions or districts, even though Maryland's population exceeded that of many multi-district States.

The five southern Maryland counties have all experienced rapid growth in terms of population, economic development and court activity. By 1990, the Bureau of the Census projects that 1,576,500 residents, or almost 35 percent of the total population of the State will reside in this region.

Furthermore, these five counties are the fastest growing in Maryland in business activity; expanding tax base; and legal activity as measured by civil, criminal, and bankruptcy court filings.

Obviously, these trends will continue as the Washington metropolitan area continues its rapid pace of development.

The Congress has recognized that the need is for an accessible court. As you all know, a division of the court needs judges if it is to function. And as you also know, judges need a courthouse if they are to appear. The lack thereof is what brings me to this subcommittee today.

I want to assure this subcommittee, that though the judges were not originally enamored with the idea of this new division, they are now fully supportive and will occupy the space as soon as it is ready for them.

Mr. Chairman, the reason for a courthouse in Prince Georges County is obvious to anyone familiar with the geography of the region to be served by this division of the court. Prince Georges County is centrally located to serve both Montgomery and the southern Maryland counties. The transportation network of the region also favors Prince Georges County, as does the price of locating the courthouse for the taxpayer.

Mr. Chairman, the people of southern Maryland have gone far too long without equal access to their Federal court. Every day without a new court facility perpetuates this inequity. I urge this subcommittee to speedily approve and authorize a new courthouse for the southern division in Prince Georges County.

I would also like to request your assistance regarding the approval of the construction of the consolidation of the Internal Revenue Service in Maryland. As you know, this request is the result of many years of negotiation between Maryland, D.C. and Virginia.

I have appeared many times before this subcommittee to make you fully aware of the fact that Prince Georges County Maryland is the best buy for the Government—not only for dollar per square foot, but also because it locates the space closest to where the majority of Federal employees live. I do not need to rehash these arguments today.

Instead, the region has reached a consensus for an equitable distribution of space, which makes sense for the Federal Government, its employees, and the taxpayers as well. The administration has blessed this distribution and you are considering it today.

There is no question that the IRS requires consolidation. Currently it is in over 27 different leased space locations around the region. GSA will make the case on the merits. What I would like to discuss and request your assistance on is that the subcommittee bring some rationality to this process.

The IRS is now working with GSA on acquiring 177,000 square feet of leased space. The IRS and GSA are not working to ensure that this 177,000 square feet is coordinated with the overall consolidation effort. Both are dragging their feet with the consolidation effort, and focusing instead on a short-term problem which could lead to a wasteful expenditure of public funds.

What I would request is that in approving the IRS consolidation, the subcommittee should send a clear signal that it will not consider the 177,000 lease prospectus any longer. Instead, GSA and IRS should be directed to begin as quickly as possible the plans for the consolidation, with the 177,000 requirement being required as the first phase of the consolidation. This will then force the IRS and GSA to plan just how the 177,000 will fit into the overall consolidation and proceed in a rational and fully planned manner.

Second, the delivery date of the first phase must be a reasonable one. Mr. Chairman, I am sure that you are aware of the current "credit squeeze" developers face as a result of confusion over banking regulation and enforcement. Developers are having difficulty in securing financing without a lease or construction contract in hand. Much of the more attractive sites in my district will require new construction. This will be a great opportunity to the IRS, in that the space can be built to specification. But the builders must be given sufficient time to construct the space—which should be determined from the point the selection of the developer is made.

Mr. Chairman, I appreciate the courtesy the subcommittee has always shown to me and my district, and look forward to working with you on this overall space proposal in the days ahead.

TESTIMONY OF CONGRESS JOHN JOSEPH MOAKLEY
SUBCOMMITTEE ON PUBLIC BUILDINGS AND GROUNDS
MAY 3, 1990

MR. CHAIRMAN, MEMBERS OF THE COMMITTEE, I APPRECIATE THE OPPORTUNITY TO REQUEST THAT THIS SUBCOMMITTEE APPROVE FUNDING THAT WOULD LAUNCH PLANS TO BUILD A NEW FEDERAL COURTHOUSE IN DOWNTOWN BOSTON.

MR. CHAIRMAN, THE EXISTING FEDERAL COURTHOUSE IN BOSTON -- THE JOHN McCORMICK BUILDING IS 57 YEARS OLD. ORIGINALLY THE BUILDING WAS DESIGNED FOR USE AS A GENERAL FEDERAL OFFICE BUILDING, WITH ONLY A SMALL PERCENTAGE OF SPACE DEDICATED FOR USE AS A COURT FACILITY. AT THE TIME OF THE COURT'S INITIAL OCCUPANCY IN THE McCORMICK BUILDING, THERE WERE 2 DISTRICT JUDGES AND ONE COURT OF APPEALS JUDGE SITTING IN BOSTON. THE COMBINED WORKLOAD OF THE COURT CONSISTED OF 119 APPELLATE FILLINGS AND 1,307 DISTRICT COURT FILLINGS.

IN STATISTICS COMPILED FOR THE YEAR 1989. THE COURT OF APPEALS FILINGS TOTALED 1,239 CASES, WHILE THE DISTRICT COURT REPORTED 3,736 CASE FILINGS.

MR. CHAIRMAN, THERE ARE NOW 11 ACTIVE DISTRICT JUDGES AND 3 SENIOR DISTRICT JUDGES SITTING IN BOSTON. TO DEAL WITH THIS GROWTH, THE McCORMACK BUILDING HAS BEEN RENOVATED MANY TIMES OVER THE LAST 55 YEARS. WHILE THESE RENOVATIONS HAVE HELPED THE COURT TO DEAL WITH ITS INCREASED SIZE AND WORKLOAD, IT HAS BECOME APPARENT THAT A MAJOR RENOVATION OF THE BUILDING IS NECESSARY TO ENABLE THE COURTS IN BOSTON TO FUNCTION EFFECTIVELY.

THE PROBLEM WITH A MAJOR RENOVATION PROJECT, ACCORDING TO A GENERAL SERVICE ADMINISTRATION STUDY, IS THAT A MAJOR RENOVATION WOULD COST SUBSTANTIALLY MORE THAN THE CONSTRUCTION OF A NEW COURT FACILITY.

ADDITIONALLY, THE GSA STUDY FINDS THAT THE McCORMACK BUILDING DOES NOT MEET THE BASIC COURTHOUSE SECURITY STANDARDS AND THE PROPOSED MULTI-MILLION DOLLAR RENOVATION PROGRAM WILL NOT MAKE IT SECURE.

I AM CONVINCED, MR. CHAIRMAN, THAT THE ALTERNATIVE TO MAJOR RENOVATIONS WOULD BE TO CONSTRUCT A NEW COURTHOUSE AND TO SELL THE McCORMACK BUILDING. THIS BUILDING IS A 22 STORY OFFICE TOWER WHICH IS LOCATED WITHIN THE HEART OF BOSTON'S FINANCIAL DISTRICT, A PRIME REAL ESTATE AREA. IT IS ANTICIPATED THAT THE FUNDS GENERATED FROM THE SALE OF THE McCORMACK BUILDING WOULD THEN BE DEPOSITED IN THE FEDERAL BUILDING FUND TO OFFSET THE COST OF NEW CONSTRUCTION.

IN CLOSING, I WANT TO THANK YOU MR. CHAIRMAN AND MEMBERS OF THE SUBCOMMITTEE, FOR THE OPPORTUNITY TO BE HEARD ON THIS IMPORTANT MATTER AND I HOPE THAT IT WILL RECEIVE FAVORABLE CONSIDERATION.

Testimony of
CONGRESSMAN MARTIN OLAV SABO

before the
Subcommittee on Public Buildings and Grounds
House Committee on Public Works and Transportation

May 3, 1990

Mr. Chairman, my friends on the Committee, I appreciate the opportunity to appear before you.

Today I would like to visit with you about the proposal for a new federal courthouse in Minneapolis. As you know, the President's budget contains a request for $53 million to begin remodeling and rebuilding a new federal courthouse in Minneapolis. I would like to give you a little background on this project and request your support for a new courthouse and some modification in the Administration's proposal.

The federal courthouse in Minneapolis was built as a temporary building over 30 years ago. It is seriously inadequate as a judicial facility and suffers from major problems in its basic support and security systems.

In 1984 the federal judges in Minneapolis came to me to discuss these problems and the feasibility of replacing their building. When my staff called the General Services Administration (GSA) to inquire about this matter, they were told we would not get a new federal courthouse in Minneapolis in their lifetime. Since that first conversation, GSA has inspected the building and realized how inadequate it is. GSA would now like to go ahead and remodel and expand the building on its existing site. For this purpose the President has included $53 million in this year's budget request with an understanding that an additional $15 million will be requested in subsequent years.

We in Minneapolis have some serious problems with this request and would like your help. Basically, the City of Minneapolis wants to work with GSA on the development of a new facility.

The Minneapolis City Hall is a beautiful, old, and historic building. Across the street from it is the attractive, modern Hennepin County Government Center. The city would like to acquire another block in that row for the new federal facility. This would then become a government corridor in which citizens could receive a variety of government services. The city wants a building of integrity and quality, which will further enhance our beautiful downtown area.

In order to accomplish this objective we need a little more time. I would request that you authorize the building and approve funding at least up to the President's request, but ask GSA to delay building for the next year while it works with the city on reviewing proposals for a new facility on a different site. I intend to ask the Appropriations Committee to appropriate the funds you authorize but "fence" them for a year until the city and GSA have time to work through their differences and come up with an optimal replacement plan.

I cannot promise you that it won't require more funds and I will probably be back here next year asking for the final amount we need to complete the project. I can promise you, however, that the taxpayers dollars will not be wasted. We have had very good experience building federal facilities in Minnesota. In fact, the two buildings I have been most directly involved with since I came to Congress -- a new Veterans Administration hospital and a visitor center in the Minnesota Valley National Wildlife Refuge -- both came in underbid. These facilities are beautiful, high quality and imaginatively designed.

There are a number of developers who are interested in working with the city and GSA on a new courthouse. I believe the federal government could benefit significantly from working with the local people on this project and I hope you will give us your support.

I would also like to share with you a copy of an editorial from last Friday's Minneapolis Star Tribune. It gives a very good picture of the local feelings about this proposal.

Mr. Chairman, my colleagues I thank you for this opportunity to visit with you today and I would be happy to answer any questions you may have.

# # #

Star Tribune

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14A

Friday/April 27/1990

Fitting federal courts in downtown Minneapolis

Minneapolis needs a bigger and better federal courts building and the Bush administration is apparently ready to spend $70 million to provide it. The question is whether city officials can persuade the General Services Administration (GSA) to spend the money the right way.

The wrong way would be to expand the undistinguished gray box that now passes for a federal courthouse at the corner of 4th St. and 2nd Av. S. Few buildings in downtown Minneapolis are so lacking in architectural distinction as this relic from the Gateway renewal project of the 1950s. It ought to be torn down.

That's especially so since the GSA is being offered a truly inspired alternative — not only for the federal courts but for Minneapolis. The Landmarks Group, redevelopers of the Ritz Hotel site, propose to build a new courts complex on half of the block just north of City Hall. That's the site now occupied by a city parking garage and some shabby old buildings — including one of genuine architectural distinction, the Flour Exchange on the block's northeast corner.

Historic preservationists need not fear. The Flour Exchange would be restored and incorporated into the new complex, which would also include a similar 11-story tower on the block's northwest corner — with a six-story courts building spanning a massive archway in between. The south half of the block would be an underground garage covered by a landscaped plaza, which for the first time would allow an unobstructed view of City Hall's north-facing front side. The overall result would be a four-block civic corridor extending from 7th St. on the south through the Hennepin County Government Center and Minneapolis City Hall to the federal courts complex at 3rd St. on the north.

It's a tribute to the GSA, which usually likes to plan these things itself, that the agency is showing serious interest in the Landmarks proposal. For its part, Landmarks wants to add the present federal courthouse site to its $400 million development plan for the lower Nicollet Mall area, which includes a 62-story office tower.

The key to everything, however, is whether the Minneapolis Community Development Agency and other city officials can put together a financing and development scheme that protects the city's interests while also satisfying GSA's requirements. Several uncertainties remain. But if those are resolved, construction might begin as early as next year, with completion in 1994. That's a goal definitely worth shooting for.

STATEMENT OF CONGRESSMAN DAN SCHAEFER

In Support of the General Services Administration's Recommendation for Renovations at the Denver Federal Center

May 3, 1990

Mr. Chairman and Members of the subcommittee, I appreciate this opportunity to come before you today. I am here to speak in support of the General Services Administration's recommendation to renovate Building 56 at the Denver Federal Center.

The Federal Center is one of the largest civilian government complexes in the United States. Located in the western suburbs of Denver, the facility covers over 600 acres and provides office and research space for over 8,600 federal employees. While the Department of the Interior is the primary user of the Center, a large and diverse number of agencies do have office space in the complex.

The GSA has recommended a sweeping renovation of Building 56 at the Center. This building provides space for a number of research activities for the Bureau of Reclamation, including work in biology, geothermal technology, and electrical power.

One of the more unique areas of research is the extensive and complex water modeling operations the Bureau of Reclamation conducts. This modeling allows BOR to determine what effects man-made construction, such as water systems or reservoir projects, will have on water flows in an area. As you know, this type of knowledge is critical to ensuring safe and environmentally sound public works projects.

Building 56 was originally constructed as a manufacturing facility in 1941. During the Second World War, it served as a factory to produce .30 and .50 caliber machine guns for the U.S. war effort. Much of the the building been retained as a large, unfinished area in order to fully accommodate BOR's research activities. Recently, however, it has become apparent that a number of deficiencies exist. The structure has not been substantially upgraded since the 1940's. While still serviceable, there have been some problems with the building due to the outdated nature of its facilities.

This renovation represents a major improvement to the building. The replacement of a number of windows, roofing, and piping and drainage systems will give the complex a 30 year life extension, and help ensure the safety of our federal workers there. In addition, this upgrade will allow the Bureau of Reclamation greater flexibility and added security in its research programs. Its total cost of $8.58 million represents a significant cost-savings over the alternatives of constructing or leasing another facility.

I fully support the GSA's recommendation for this project. It represents a cost-effective, responsible approach in dealing with the present deficiencies at Building 56. I heartily and respectfully request the Committee's favorable attention to this request.

Thank you for your time and consideration.

ADDITION TO THE RECORD

General Services Administration
Office of Congressional Affairs
Washington, DC 20405

June 1, 1990

The Honorable Douglas H. Bosco
Chairman, Subcommittee on
  Public Buildings and Grounds
Committee on Public Works
  and Transportation
U.S. House of Representatives
Washington, DC 20515

Dear Mr. Chairman:

Enclosed please find our response to the questions which were submitted for the record following David Bibb's appearance at our May 3, 1990, hearing regarding the General Services Administration's fiscal year 1991 Capital Improvement and Leasing Program.

If you have any questions or comments regarding any of these issues, please contact Tim Arnade of my staff. He can be reached on (202) 501-0563.

Sincerely,

Michael J DeLoose
Associate Administrator
for Congressional Affairs

Enclosures

QUESTIONS FOR THE RECORD FROM CONGRESSMAN BOSCO

DOT BUILDING

QUESTION 1

Are the GSA and DOT committed to building the new DOT headquarters in the air-rights behind Union Station, or are you considering other alternatives including privately owned sites?

How does the cost of buying a new site compare to the combined cost of building in the air-rights, buying the CSX property, and assuming the other financial obligations related to Union Station that would be associated with the air-rights site?

ANSWER

In April 1988, GSA conducted an Expression of Interest Solicitation for the DOT headquarters project to be developed on various sites. This solicitation resulted in project proposals from four developers. Each of the four proposed projects, while containing unique aspects, had constraints and/or problems which necessitated their dismissal.

The combined cost of building in the air-rights, buying the CSX property and contributing to the maintenance of Union Station is still under development. However, based upon preliminary estimates, it is expected that the total costs would compare favorably with most downtown properties, assuming that another site could be assembled to meet DOT's mission and operational needs.

QUESTION 2

The Budget Amendment requested $50 million for site acquisition for the new DOT building. Will this fund the full cost of site purchase or only part of that cost?

ANSWER

The $50 million included in the President's budget amendment is only part of the cost of purchasing the entire site adjacent to Union Station. An additional amount will be required for the cost of air-rights behind the station, and possibly for other direct acquisition costs.

A prospectus for the acquisition of the CSX site has been prepared and sent to the Office of Management and Budget for

ANSWER (Cont'd)

review. A prospectus for the construction of the DOT headquarters is under consideration for the 1992 Capital Improvement and Leasing Program which will be submitted to OMB in September 1990.

QUESTION 3

What will it cost to design the new DOT building?

ANSWER

Based upon an occupiable area of 2.4 million square feet, the design estimate is $23.1 million.

QUESTION 4

When will an Environmental Impact Statement (including traffic studies) be completed for the new DOT building?

ANSWER

The Environmental Impact Statement will be completed by April 1991.

NAVY

QUESTION 5

Recent press reports state that officials of the City of Alexandria and Arlington County are not anxious to have the Navy project in their jurisdictions because the Government's ownership of the land and buildings will exempt them from paying local property taxes.

How does GSA propose to deal with this problem since I understand that all 5 bidders remaining in the competition are in either Arlington County or the City of Alexandria?

ANSWER

GSA, as the agency charged with providing general purpose office space to Federal agencies, recognizes that the presence of federally owned buildings in any community may have an impact on the local real property tax base. Under the doctrine of sovereign immunity, however, the Federal Government is exempt from State and local taxes and only the Congress can waive this immunity.

ANSWER (Cont'd)

At the same time, a large Federal presence can generate revenue for local governments in the form of sales and other taxes as commercial and retail operations are built to serve the Federal employees and compete to satisfy a wide variety of Federal agency needs. Furthermore, GSA intends to consult and work closely with the State and local officials in order to minimize the adverse impact that may result from GSA's location decision.

QUESTION 6

How much funding will be required to design the Navy project?

ANSWER

The backup figures in the President's Budget Amendment include a design amount of $30,819,000.

QUESTION 7

If this Committee authorizes construction of the new Navy offices in Northern Virginia, when do you anticipate awarding the contract?

ANSWER

The award of the Navy contract could occur as early as November 1990, if authorization and full funding are provided by the Congress.

SOUTHEAST FEDERAL CENTER

QUESTION 8

What is the estimated cost of the infrastructure and heating systems at the Southeast Federal Center?

ANSWER

The current estimate of the infrastructure cost is $88 million, including design and management and inspection costs. The heating system is now planned on a package basis (included in the individual buildings); therefore, its cost is not included in the infrastructure.

QUESTION 9

What is the estimated cost of design of phase I of the Southeast Federal Center?

ANSWER

In light of an estimated construction cost of up to $870 million for Phase I of the development of the Southeast Federal Center, the estimated design cost would be $38 million.

EPA

QUESTION 10

The administration's budget amendment proposed $300 million for FY 1992 for a new headquarters for EPA. What is the projected schedule for bid solicitation and construction for a new EPA headquarters.

ANSWER

If the project is funded for fiscal year 1992 or earlier, the proposed schedule for the bid solicitation and construction of a new headquarters for EPA on a design/build basis could occur as follows, at the earliest:

Develop Request for Proposals	6/90
Issue RFP	10/90
Environmental Impact Statement (EIS)	2/91
Preliminary Evaluation of Proposals	2/91
Negotiation of Proposals	6/91
Best and Final Offers	7/91
Clearances and Award of Contract	11/91
Design	12/91
Construction	4/93
Occupancy	4/96

QUESTION 11

I understand that EPA and GSA are working to move 700-800 employees out of Waterside Mall to ease the indoor air quality problems by leasing an additional 158,000 square feet of space. Would you please outline the schedule of the process -- when do you anticipate that a lease competition will begin and when can we anticipate receiving a lease prospectus? Will this action, in which GSA is cooperating, help the employees who state they are sick from the Mall building?

ANSWER

EPA and GSA recently met to discuss the acquisition of additional space to meet EPA's short term space needs. Because EPA has not submitted an SF-81, Request for Space, a procurement schedule is not available at this time. This space will, in part, house employees who have been identified as symptomatic in response to indoor air quality problems at Waterside Mall.

COURTHOUSE IN PASADENA, CA

QUESTION 12

Your design prospectus includes $618,000 for the repair and alteration of the Court of Appeals building in Pasadena, California.

ANSWER

Our design prospectus is for Court of Appeals-Federal Building in Pasadena, California. The projects are not separate.

QUESTION 13

Where do you plan to put the 40 additional parking spaces?

ANSWER

The prospectus anticipates 9 additional parking spaces to be funded by GSA and 31 by the U.S. Courts. There are currently 31 spaces immediately north of the building. The U.S. Court of Appeals requested that GSA relocate this lot a bit to the west and put a driveway and grass in the area now used for parking. The cost of replacement of the 31 spaces would be reimbursable.

QUESTION 14

Does this prospectus envision the removal of any bungalows? If so, how many?

ANSWER

The prospectus envisions removal of 5 bungalows located immediately west of the main structure. These are known as bungalow numbers 3, 4, 5, 7, and 8. In January 1989, the U.S. Court of Appeals passed a resolution expressing the sense of the court regarding the security and fire safety hazards posed by the proximity of these severely deteriorated bungalows. GSA has no identified need for the structures.

The final disposition of the bungalows will be conducted based on the existing Memorandum of Agreement between GSA, the California State Historic Preservation Office, and the Advisory Council on Historic Preservation, in compliance with the intent of the National Historic Preservation Act.

QUESTION 15

Would the parking spaces be available for any other uses in the area, i.e., a Western Justice Center that the judges are interested in forming on a property adjacent to the main building?

ANSWER

All parking spaces provided in the lot immediately north of the main structure and across the street in the Del Rosa Street lot are needed for the Federal tenants in the U.S. Court of Appeals-FB. The parking study prepared by Region 9 identified and validated the projected parking demand generated by the Federal tenants. Both lots are projected to provide for Federal tenant needs. Assignment of these spaces will be made in compliance with the Federal Property Management Regulations, and they are not expected to be available for the Western Justice Center.

REPAIRS AND ALTERATIONS

QUESTION 16

The repair and alteration prospectus, Federal Building, Portsmouth, Virginia, is justified in part on the recapture of space. Why is there no effort to use the 22,269 of vacant space identified in the Housing Plan?

ANSWER

The U.S. Postal Service vacated approximately 30,000 square feet of space in the building. The building needs substantial alterations to make that space usable for long-term office occupancy. The General Services Administration was able to use 7,731 square feet of space to temporarily house the Navy. However, the remainder of the space is postal workroom/light industrial space and cannot be utilized until the space is converted to office space. Once the alterations are completed, the building will be completely occupied.

QUESTION 17

The repair and alteration prospectus for Design includes a project, U.S. Post Office-Courthouse. The prospectus states that GSA is considering acquisition of the building from the Post Office. Yet no estimated building cost is provided and the project summary lists cost of site as N/A. Please explain.

ANSWER

As a result of increased space requirements submitted by the Administrative Office of the United States Courts, the Post Office-Courthouse renovation project in Knoxville, Tennessee is no longer feasible. It has been determined that the building is not large enough to meet the requirements of the U.S. Courts. Therefore, GSA has requested (by letter dated April 26, 1990) that this portion of the repair and alteration design program not be considered by the Congress.

It is anticipated that we will submit a prospectus in a future budget year's program to the Congress requesting approval of a Federal construction project to meet the long-term requirements of the U.S. Courts.

PATENT AND TRADEMARK OFFICE

QUESTION 18

The lease prospectus for the Patent and Trademark Office demonstrates that it would be much cheaper to construct a building for this office than to lease space. We need to begin planning now to get them into Government-owned space. When can we expect to see a construction prospectus for the Patent and Trademark Office?

ANSWER

GSA is in the process of preparing a Prospectus Development Study (PDS) for the Patent and Trademark Office (PTO), which will more fully define PTO's space requirements. GSA expects the PDS to be completed by January 1991. At that time, GSA and PTO will determine the best plan to meet PTO's long-term housing needs. GSA expects to include the resulting prospectus in the 1993 prospectus cycle. This would allow phased occupancy at a new location to begin June 1996.

QUESTION 19

The prospectus lease for Center Building One, Hyattsville, Maryland, reflects an A-104 that strongly favors construction over the leasing alternative, yet a 10-year lease is recommended. Why not include cancellation rights since Government-owned space may become available during the next 10 years?

ANSWER

The Department of Agriculture (USDA) accounts for approximately 90 percent of the office space in Center Building One. Most of that space is occupied by USDA's Animal and Plant Health Inspection Service (APHIS). Since APHIS needs to remain close to the Agriculture Research Center (currently 6 miles away) and there is no Government-owned space either available or planned for that immediate area, it is unlikely that APHIS would move from its leased location. However, when the new lease is negotiated, GSA will definitely ask for cancellation rights in case they are needed.

QUESTION 20

There were several lease projects in GSA's FY 91 Capital Improvement Program where the "A-104" favored construction. How would you distinguish these projects from the 21 construction projects recommended for construction?

ANSWER

The present value analysis of various alternatives, as presented in the "A-104" analysis, results in the construction alternative being the least expensive alternative when compared to leasing when the lease alternative reflects areas with high rental rates. GSA, however, considers other factors besides the "A-104" when recommending a construction project. Such factors as single tenant buildings, long-term requirements, special space requirements and consolidations impact GSA's decision to recommend construction.

QUESTIONS FOR THE RECORD FROM CONGRESSMAN PETRI

PRESIDENT'S BUDGET AMENDMENT

QUESTION 1

The budget amendment submitted by the President to appropriate $1.3 billion into the Federal Buildings Fund provides for the construction of several buildings, including site acquisition for a new DOT headquarters. It has been reported that the preferred site for the building is at Union Station, where a small parcel of land would also have to be acquired. Is this reflected by the fact that only $50 million for land acquisition is included in the amendment? What is the status of this project?

ANSWER

The $50 million included in the President's budget amendment is only part of the cost of purchasing the entire site adjacent to Union Station. An additional amount will be required for the cost of air-rights behind the station, and possibly for other direct acquisition costs.

A prospectus for the acquisition of the CSX site has been prepared and sent to the Office of Management and Budget for review. A prospectus for the construction of the DOT headquarters is under consideration for the 1992 Capital Improvement and Leasing Program which will be submitted to OMB in September 1990.

QUESTION 2

The Judiciary Office Building which is under construction just east of Union Station was designed to complement the architecture of Union Station and the Old City Post Office. What effect would a DOT headquarters have on the design and balance of these three buildings at Columbus Circle?

ANSWER

The architectural and urban design significance of the proposed DOT headquarters cannot be over emphasized. The design must successfully complete the complex of buildings at Columbus Circle. This new building must complement, and not compete with,

ANSWER (Cont'd)

Union Station architecturally and provide architectural balance to the Post Office without diminishing the role of Union Station as the centerpiece of Columbus Circle and the terminus of the Delaware Avenue axis from the U.S. Capitol. In order to ensure a design of appropriate scale, location and architectural quality, a series of Design Guidelines will be established that will address not only issues of urban design and contextual response, but will also impose constraints on systems and materials utilized. GSA will conduct a design competition and will choose an architect whose design will complement all the buildings at Columbus Circle.

QUESTION 3

Other projects in the budget amendment, such as a Courthouse in Shreveport, Louisiana, and a new GSA headquarters, would presumably receive appropriations this year but no prospectuses have been submitted. Can you tell us when they will be submitted so that the Committee can consider authorization?

ANSWER

The Shreveport, Louisiana, prospectus was approved by the Office of Management and Budget (OMB) on May 10, 1990, and will be sent to the Congress shortly. The GSA headquarters prospectus is still under OMB review.

QUESTION 4

The budget amendment earmarks $300 million for the EPA headquarters. Administrator Reilly recently announced that EPA would not relocate to the federally owned southeast Federal Center but would only consider private sites. Is the $300 million an adequate amount of funding for this project?

ANSWER

The budget amendment represents the GSA construction cost only at the Southeast Federal Center. GSA estimates that the total project cost for EPA on a private site is $324,268,000 for construction, design and management and inspection plus an estimated $125,000,000 for the site or $449,268,000. This also does not include an estimated $88,130,000 for reimbursable costs from EPA.

QUESTION 5

In light of EPA's decision, what are the current plans for tenants and the development of the Federal Center?

ANSWER

GSA has submitted to OMB a prospectus for the construction of a new headquarters building for GSA at the SEFC. GSA also has expression of interest by several agencies in relocating to the SEFC including the Corps of Engineers, Federal Emergency Management Agency, and the Patent and Trademark Office. An interagency training center is also being considered for location at the Southeast Federal Center.

NAVY CONSOLIDATION, NORTHERN VIRGINIA

QUESTION 1

The report on the Navy consolidation provides for the construction of 3 million square feet of space to house current employees and provide space for new employees to be hired. Will the expected defense budget cuts reduce the number of current or new employees, and therefore reduce the amount of space required?

ANSWER

The 3,000,000 occupiable square foot project proposed for the consolidation of the Naval Systems Commands includes 250,000 occupiable square feet to house a projected increase of 3,160 employees over the next five years. This increase is planned to house newly approved civil service staff positions that are to perform functions currently provided by Navy contractor personnel. This functional change is a direct result of Operation Ill Wind and other Inspector General's reports on contract support services.

However, this additional 250,000 occupiable square feet is included in the solicitation for offers as an option. By the time this project begins construction, GSA will be in a better position to determine if the additional square footage will be necessary or whether defense cuts in general will reduce the required square footage.

QUESTION 2

I understand that local officials in Virginia have expressed certain concerns about traffic impacts and other aspects of the proposed relocation. Can you tell us what the local response has been to this proposal?

ANSWER

GSA has received expressions of concern by citizen groups about the potential transportation problems that a project the size of Navy may cause, and from the Mayor of Alexandria concerning the taking of land and buildings off the local real estate tax rolls. GSA will conduct a full and complete Environmental Impact Statement which will thoroughly and extensively address potential transportation problems. There has been strong citizen encouragement for GSA to consider these transportation problems, and GSA will certainly do so in its environmental study.

GSA has addressed the concerns of Mayor Moran of Alexandria by letter. GSA understands the tax base problems presented by a project of this size, but reaffirmed to Mayor Moran that the Federal Government is exempt from state and local taxes and only the Congress can waive this immunity. GSA intends to consult and work closely with the state and local officials to minimize the adverse impact that may result from GSA's location decision.

QUESTION 3

Concern has been expressed by certain other Members of Congress on the necessity of having these personnel in the high-cost Washington area, and that other branches of the military locate these functions elsewhere around the country. Are you convinced that all of these 20,000 employees must be located here?

ANSWER

The agency is responsible for determining the location of its activities relative to its mission. Therefore, GSA locates the facility within the area defined by the agency as meeting its needs.

U.S. COURTHOUSE, BOSTON, MASSACHUSETTS

QUESTION 1

GSA plans to devote the proceeds from the disposal of the current McCormack Courthouse toward the cost of this project. What is the expected revenue to be generated from this sale?

ANSWER

The 11(b) Report recommended construction of a new courthouse if the proceeds of the sale of the McCormack building were to be deposited in the Federal Buildings Fund. We have done some internal appraisals on the value of the McCormack building, but, in the interest of promoting the maximum competition at the time of sale, we would not want to indicate what we expect to receive for the building. For planning purposes, a value well in excess of $50 million can be assumed.

QUESTION 2

Do you have the authority to use these funds to offset the construction costs or will special authorization be required?

ANSWER

Legislation, probably an annual Appropriation Bill, authorizing the funds from the sale of the McCormack Building to be deposited into the Federal Buildings Fund will be required. Technically, the funds will not be credited on a one-for-one basis to the project costs of the new courthouse in Boston. Rather, as stated in the 11(b) Report, they will be used to reduce the impact on the Federal Buildings Fund, thereby making the project more economically advantageous to the Fund.

QUESTION 3

The report presents various scenarios regarding the site for the new courthouse. What is the current plan for the location of the new building?

ANSWER

Once site and design funds have been authorized, GSA can begin the process of selecting a site for this project. There are several potential sites which have already been identified in a study done by the city of Boston, and there may be other acceptable sites not yet identified. At this time, a site has not been selected, and to protect the integrity of the competitive procurement process it would not be appropriate for us to speculate on which site might be selected.

ESCALATION OF CONSTRUCTION COSTS

QUESTION 1

You have submitted prospectuses requesting an increased authorization for previously approved projects in Camden, New Jersey and Wilkes-Barre, Pennsylvania. Can you briefly tell us the reason for these increases?

ANSWER

Camden

Site costs have increased because a larger site is required than originally anticipated and the privately owned land to be acquired contains historic structures and is located in a historic district. This has required special considerations in the design of the project, resulting in a larger building. In addition, the detailed cost estimate submitted by the A/E firm contracted by GSA exceeded the less fully developed GSA in-house estimate upon which the original project cost was based.

Wilkes-Barre

The increase is attributable in part to additional costs which were not included in the original appropriation, such as design and management fees, site acquisition and development costs; and employee requirements, such as parking and a cafeteria. An adjustment has been made for escalation of costs since the time of the original appropriation. The project experienced significant delays as the Social Security Administration and the Office of Management and Budget undertook reviews of SSA's long-term needs in Wilkes-Barre.

SAN FRANCISCO, CALIFORNIA, AND SEATTLE, WASHINGTON SEISMIC REPAIRS

QUESTION 1

Three projects in California and Washington include seismic reinforcement. What is GSA's general policy concerning seismic standards for new and existing Federal Buildings, as well as space leased by GSA?

ANSWER

In new Federal Buildings, GSA has adopted the Uniform Building Code (UBC), the most stringent model code, as its standard for seismic design, construction, and strengthening. Since 1978, the latest published edition of the UBC has been the basis of the agency's seismic program.

ANSWER (Cont'd)

The existing building seismic program also relies on the UBC. During the scheduled 5-year engineering inspection cycle, the buildings are to be evaluated for both structural and non-structural seismic vulnerability. Identified deficient items and equipment are scheduled for correction. Buildings in seismic zones 2, 3, and 4 constructed prior to 1973 and built with specific materials and construction techniques are evaluated first. Limited seismic strengthening and improvements have been accomplished on a nationwide basis.

In space leased by GSA, Executive Order (EO) 12699 on seismic safety requires adoption of American National Standards Institute (ANSI) criteria or other more stringent criteria specified by each agency. GSA adopted the UBC which exceeds the ANSI requirements. The EO does not intend to lessen established criteria such as GSA's.

PATENT AND TRADEMARK OFFICE LEASE, CRYSTAL CITY, VIRGINIA

QUESTION 1

The prospectus for the Patent and Trademark Office lease states that the lease for this expansion space will expire with other Patent leases in 1996. What are the long-term housing plans for the agency?

ANSWER

GSA is actively working with PTO to provide permanent housing after the 1996 expiration of their Crystal City leases. Under consideration is a plan to consolidate the agency at a location that will provide an equity position. GSA and PTO are also analyzing the benefits of continued leasing. However, a specific course of action cannot be determined until a Prospectus Development Study (PDS) and further economic and benefit analyses are complete. The PDS will be completed by January 1991. GSA expects to include the resulting prospectus in the 1993 prospectus cycle.

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